

**CITY OF MEMPHIS
DIVISION OF HOUSING and COMMUNITY DEVELOPMENT**

EXECUTIVE SUMMARY

**CONSOLIDATED PLAN
FY 2004 ANNUAL ACTION PLAN**

The Annual Action Plan for (Program Year 2003) or FY 2004 presents the major programs, goals & objectives that the Division of Housing and Community Development (HCD) will undertake over the next year.

The purpose of HCD is to develop a system of integrated services and activities that drive neighborhood redevelopment investment in housing, capital and economic development.

The programs described in this plan are design to enable the City meet the needs of our primarily low-moderate income residents of the city.

In 2004, HCD's programs will seek to meet the U.S. Department of Housing and Urban Development's statutory goals that include the provision of decent housing, the creation of a suitable living environment, and expanded economic opportunities. Programs and projects are represented by the following priority categories:

- Housing
- Homeless & Special Needs
- Community Services Grants
- Neighborhood, Economic & Community Development
- Administration & Planning

In addition to collaborating with housing and social services providers, the local health department and other divisions of local government, HCD extended its efforts to further identify and prioritize the needs of the sub-populations that comprise the Special Needs Populations. Partners for the Homeless was engaged via contract to conduct a second phase of a needs assessment for the special needs population. One recommendation is that the City re-double its efforts to support the development of more permanent supportive housing. In FY 2004, HOME funds will be provided as a match to support the Continuum of Care initiative to develop permanent supportive housing. The focused on meeting the rental housing needs of the elderly will be examined more closely in FY 2004. HCD will consider how it may best support HUD 202 Elderly Housing applications over the on coming years. Financial support for the establishment of "Safehavens" to serve the chronic severely mentally ill is being provided in FY 2004.

In FY 2004, HCD will implement the revised Single-family Rehabilitation Program (HARP) and its accompanying Replacement Housing Program. The major policy change provides for a minimum repayment of Deferred Payment Loans for housing rehab. The proposed new rehab limits of \$30,000 will be established in an effort to reach more homeowners. Applications for both housing programs will resume in June 2003 for six targeted areas defined elsewhere in this plan. The program will no longer be a grant program but a graduated loan program. In specific targeted areas, waivers of the \$30,000 maximum limit on a special case by case basis. The remaining 34 clients on waiting list will be accommodated over the next twelve (12) months.

Lastly, the City has increased its emphasis on neighborhood redevelopment. This policy re-direction complements HCD's plans to target and rebuild neighborhoods and communities. From 2004 onward, HCD and its housing and community development programs will seek to re-direct and utilize its entitlement grants in ways that leverage both public and private resources. Resulting neighborhood plans will provide physical and socio-economic benefits toward areas planned and targeted for revitalization and/or redevelopment.

Citizen Participation

The Division of Housing and Community Development (HCD) began work on the FY 2004 Annual Action Plan, the third year of its FY 2002-2004 Consolidated Plan, following its Citizens Participation and Consolidated Plan Guidelines. This process promotes citizen participation in the planning process by fostering opportunities for comments and recommendations regarding needed programs and activities from citizens and a variety of social service providers. Additional input was received through the Continuum of Care Needs Assessment, the Special Needs Assessment, the City-wide Strategic Planning Process, and on-going consultation with housing and social service providers.

On October 24, 2002 and April 16, 2003, public hearings were held. The October 24th public hearing presented the Consolidated Annual Performance and Evaluation Report (CAPER) and outlined the planning process for the FY 04 Annual Action Plan. At the April 16th public hearing, substantial amendments made to the FY 03 Annual Action Plan and a Draft Summary of the FY 2004 Annual Plan was presented to the public. The amendments are as follows:

Amendment to FY 2003 Consolidated Plan/Annual Plan

Priority Area and Program Year	Description of Change and Amount	The Impact
Source: FY 03 CIP/CDBG - \$153,648 and Closed Activities/CDBG (2110-63776) - \$96,352	Add to FY 03: LOC/Community Investment Initiative - \$250,000	Increases Community & Public Services
Source: Replacement Housing (2153-63795) - \$80,248.44 and Replacement (2159-63795) - \$100,000	Add to FY 03: TBRA/Mentally Ill (2172-63871) - \$180,248.44	Increases Homeless & Special Needs
Source: TBRA/Domestic Violence (2153-64264) - \$85,011.62	Add to FY 03: TBRA/Mentally Ill (2153-63871) - \$85,011.62	Increases Homeless & Special Needs
Source: TBRA/LBP (2170-63995) - \$68,600 and TBRA/AIDS (2170-64265) - \$81,899.62	Add to FY 03: TBRA/Mentally Ill (2170-63871) - \$150,499.62	Increases Homeless & Special Needs
Source: TBRA/LBP (2172-63995) - \$122,667 and TBRA/Domestic Violence (2172-64264) - \$122,667 and TBRA/AIDS (2172-64265) - \$122,667	Add to FY 03: TBRA/Mentally Ill (2172-63871) - \$368,000	Increases Homeless & Special Needs
Source: HARP (2123-64160) - \$75,000	Add to FY 03: Sr. Citizen's Minor Home Repair (2123-63736) - \$75,000	Increases Housing
Source: Replacement (2120-63795) - \$300,000	Add to FY 03: Sr. Citizen's Minor Home Repair (2123-63736) - \$300,000	Increases Housing
Source: Replacement (2120-63795) - 40,000	Add to FY 03: SF Relocation (2120-64169) - \$40,000	Increases Housing
Source: Replacement (2159-63795) - \$60,000	Add to FY 03: Tempo Moving (2159-64168) - \$60,000	Increases Housing
Source: Accounting/Audit (2134-52510) - \$1096	Add to FY 03: Greater Memphis Coalition for the Homeless (2133-63800) - \$1096	Increases Administration & Planning
Source: Closed Accounts Love Cottages (2127-63841) - \$1877.18 and Gibson Guitar (2127-64183) - \$70,162.50 and Gracewood Housing (2127-64218) - \$33,534.33 and SCI/Special SF Nehemiah (2127-64048) - \$50,159.64 and Greenlaw Redevelopment (2127-64054) - \$26,800.39	Add to FY 03: Property Assembly (2127-64282) - \$182,534	Increases Neighborhood, Economic & Community Development
Source: CHDO LBP Abatement (2159-63994) - \$73,495	Add to FY 03: HELPING CDC (2159-64397) - \$73,495	Increases Housing
Source: Closed Activities/CDBG (2110-63776) - \$292,000	Add to FY 03: Goodwill Homes (2133-64373) - \$292,000	Increases Community & Public Services
Source: Closed Activities/CDBG (2110-63776) - \$200,000	Add to FY 03: Serenity Recovery (2133-64406) - \$200,000	Increases Homeless & Special Needs
Source: Closed Activities/CDBG (2110-63776) - \$100,000	Add to FY 03: Friends-for-Life (2133-64407) - \$100,000	Increases Homeless & Special Needs
Source: Repayment of CD Float Loan to the Peabody Place Project - \$4,000,000	Funds new FY 03 Projects: MHA Weaver Fields/Richmond Place - \$2,500,000; MHA Multi-family - \$500,000 and HARP Rehab \$1,000,000	Increases Housing

Estimated FY 2004 (PY 2003) Funds Available

Program Name	Estimated Funds
FY 2004 CDBG Program	\$ 10,037,000.00
CDBG Re-Programmed Funds	7,526,119.00
CDBG Program Income	2,746,932.00
CD Float Fund Repayment (Program Income)	4,000,000.00
HOME Program	5,002,770.00
HOME Re-Programmed Funds	6,016,226.00
Emergency Shelter Grant (ESG) Program	389,000.00
Housing Opportunities for Persons With AIDS (HOPWA)	1,242,000.00
TOTAL	\$36,960,047.00

FY 2004 Federal Resources and Proposed Projects

The following project categories are proposed by HCD for funding with FY 2004 CDBG, HOME, ESG, HOPWA funds, Program Income and Prior Year funding.

<i>Project ID</i>	Project Name	Funding Source(s)	Funding Amount
0001	Memphis Interfaith Hospitality Network	ESG	\$25,500.00
0002	Salvation Army	ESG	\$35,000.00
0003	Cleaborn Homes	CDBG Reprogrammed Program Income	\$741,649.00 \$258,351.00
0004	Tenant Based Rental Assistance	HOME	\$600,000.00
0005	Temporary Rent	CDBG	\$60,000.00
0006	Relocation/Moving	CDBG	\$30,000.00
0007	Multi-Family Housing	HOME Reprogrammed	\$1,631,187.00
0008	CD/Faith Based Program Delivery	CDBG	\$264,255.30
0009	Single Family Housing Rehabilitation	HOME HOME Reprogrammed Program Income	\$2,073,573.00 \$3,035,039.00 \$1,000,000.00
0010	Minor Home Repair	CDBG	\$250,000.00
0011	Volunteer Home Repair Program	CDBG Program Income	\$124,458.00 \$75,542.00
0012	Brownsfield Development	CDBG	\$50,000.00
0013	Replacement Housing	CDBG CDBG Reprogrammed Program Income	\$1,261,141.00 \$2,518,234.00 \$1,747,202.00
0014	Memphis Food Bank	CDBG	\$75,000.00
0015	Down Payment Assistance	Program Income CDBG	\$450,000.00 \$400,000.00
0016	Section 108 Loan Repayment	CDBG Program Income	\$98,968.00 \$215,837.00
0017	Memphis Family Shelter	ESG	\$51,070.00

0018	Housing Opportunities for Persons with AIDS	HOPWA	\$1,204,740.00
0019	New Chicago/Firestone RC	CDBG Reprogrammed	\$200,000.00
0020	Targeted Demolition	CDBG Reprogrammed	\$600,000.00
0021	Chicago Park Place School	CDBG	\$50,041.00
0022	Solid Waste Environmental Enrichment Project (SWEEP)	CDBG	\$12,000.00
0023	Radon, Energy and Air Project (REAP)	CDBG	\$15,000.00
0024	Summer Enrichment Sports Program	CDBG	\$150,000.00
0025	Orange Mound RC/PF	CDBG Reprogrammed	\$75,000.00
0026	Summer Enrichment II	CDBG	\$40,000.00
0027	Title XX Program Match – Help Care Program	CDBG	\$186,615.00
0028	College Park Street and Lighting Improvement	CDBG Reprogrammed	\$300,000.00
0029	Women in Community Services Match	CDBG	\$75,000.00
0030	Urban Gardening	CDBG	\$41,000.00
0031	Intern Contract	CDBG	\$90,000.00
0032	Walker House RC/PF	CDBG Reprogrammed	\$30,000.00
0033	Center for Neighborhoods PF	CDBG Reprogrammed	\$100,000.00
0034	CHDO Projects	HOME	\$778,782.00
0035	CHDO Administration	HOME	\$250,138.00
0036	Black Arts Alliance PS	CDBG Reprogrammed	\$100,000.00
0037	Frayser Development Plan	CDBG Reprogrammed	\$250,000.00
0038	General Administration	CDBG	\$1,836,566.00
0039	Boys Club/Dixie Homes PF	CDBG Reprogrammed	\$100,000.00
0040	Finance and Administration Program Delivery	CDBG	\$52,765.00
0041	Community Service Program Delivery	CDBG	\$615,266.10
0042	Social Services Program Delivery	CDBG	\$136,451.00
0043	Real Estate Development Program Delivery	CDBG	\$62,740.00
0044	HARP Program Delivery	CDBG	\$794,431.00
0045	Boys Club/Porter Gym PF	CDBG Reprogrammed	\$100,000.00
0046	North Memphis RC	CDBG Reprogrammed	\$250,000.00
0047	Coalition for the Homeless	CDBG	\$101,474.00
0048	Partners for the Homeless	CDBG	\$65,000.00
0049	South Memphis Alliance	CDBG Reprogrammed	\$150,000.00
0050	Frayser RC	CDBG Reprogrammed	\$150,000.00
0051	MIFA Transitional Housing Project	HOME	\$300,000.00
0052	Development Relocation	CDBG CDBG Reprogrammed	\$265,000.00 \$230,445.00
0053	Property Assembly	CDBG	\$54,154.00
0054	Continuum of Care Match	HOME	\$500,000.00
0055	IDIS Administration Program Delivery	CDBG	\$60,111.60
0056	Neighborhood Plans	CDBG	\$50,000.00
0057	Director's Office Program Delivery	CDBG	\$43,137.00
0058	Estival Communities (MFIA)	ESG	\$45,000.00
0059	Salvation Army	ESG	\$15,000.00
0060	Salvation Army	ESG	\$5,000.00

0061	Alpha Omega Veterans Services	ESG	\$38,000.00
0062	Mallard Pond	HOME Reprogrammed	\$1,000,000.00
0063	Memphis Interfaith Hospitality Network	ESG	\$11,200.00
0064	596 Thomas Apartment Rehab	HOME Reprogrammed	\$100,000.00
0065	SMART Youth Alternative Program	CDBG	\$25,000.00
0066	Wellington/Walker Apartment Rehab	HOME Reprogrammed	\$250,000.00
0067	Grant School – Demo Grant/Loan	CDBG Reprogrammed	\$100,000.00
0068	Central Office Program Delivery	CDBG	\$105,605.00
0069	Bridges' USA	CDBG	\$39,500.00
0070	Finance Program Delivery	CDBG	\$506,368.00
0071	Planning and Grants Program Delivery	CDBG	\$197,115.00
0072	Property Maintenance	CDBG	\$73,000.00
0073	The Exchange Club's Children/Adolescent's Domestic Violence	CDBG	\$34,760.00
0074	Coach and Four Demolition	CDBG Reprogrammed	\$500,000.00
0075	Lamar Terrace Acquisition	CDBG Reprogrammed	\$1,000,000.00
0076	Court Appointed Special Advocates (CASA)/Volunteer Training	CDBG	\$33,180.00
0077	MHA-Weaver Fields/Richmond Place	Program Income	\$2,500,000.00
0078	MHA-Multi-Family	Program Income	\$500,000.00
0079	Memphis Child Advocacy Center for Sexually Abused Children	CDBG	\$2,655.00
0080	Memphis Literacy Council	CDBG	\$39,500.00
0081	Catholic Charities	ESG	\$51,584.00
0082	Case Management	ESG	\$20,000.00
0083	SouthWest Mental Health	ESG	\$7,525.00
0084	SouthWest Mental Health	ESG	\$32,093.00
0085	Achieve Academy Co-op	CDBG	\$15,000.00
0086	Fair Housing Enforcement	CDBG	\$70,000.00
0087	City Wide Strategic Planning Process	CDBG	\$40,000.00
0088	Planning and Material Development	CDBG	\$40,000.00
0089	Lowenstein House	ESG	\$17,578.00
0090	Legal Department Program Delivery	CDBG	\$256,051.80
0091	Design Program Delivery	CDBG	\$80,070.90
0092	Portfolio Management Program Delivery	CDBG	\$137,694.70
0093	Seek for the Old Path	ESG	\$15,000.00
0094	Administrator of Monitoring and Compliance Program Delivery	CDBG	\$215,520.75
0095	Emergency Shelter Grant Admin.	ESG	\$19,450.00
0096	Friends for Life	CDBG	\$46,000.00
0097	HOPWA Program Administration	HOPWA	\$37,260.00
0098	Salvation Army	CDBG	\$50,000.00
0099	Helpcare Homemakers	CDBG	\$5,000.0
0100	MACRO – Bank Lending Study	CDBG	\$50,000.00
0101	Memphis Area Legal Fair Housing Center	CDBG	\$190,000.00
0102	Memphis Urban League	CDBG	\$45,000.00

0103	Kappa Alpha Psi	CDBG	\$35,000.00
0104	Lowenstein House	CDBG	\$97,937.00
0105	Memphis Family Shelter	CDBG	\$19,468.00
0106	B.O.L.D. Brothers	CDBG	\$35,000.00
0107	Emmanuel Center	CDBG	\$50,000.00
0108	Foundation Associates	CDBG	\$46,000.00
0109	Girls Inc.	CDBG	\$46,000.00
0110	HOME Administration	HOME	\$500,277.00
0111	Pontotoc Lauderdale II	CDBG Reprogrammed	\$30,791.00

INTRODUCTION

The Program Year 2003 (FY 2004) Annual Plan, covers the period of July 1, 2003 through June 30, 2004, and represents the third and last year of the City of Memphis' Three-Year Strategy for the 2002 – 2004 Consolidated Plan. It is prepared in compliance with the U.S. Department of Housing and Urban Development guidelines for submission for Federal entitlements. The Annual Plan outlines the priorities determined by citizen participation, research, and the input from housing and community development organizations, social service providers and others who participated in the planning process. The first Public Hearing, conducted on October 24, 2002 presented the FY 2002 Consolidated Annual Performance Report (CAPER) and announced the start of the planning process for the FY 2004 Annual Plan. The second Public Hearing, conducted on April 16, 2003, presented a draft summary of the Proposed 2004 Annual Action Plan.

The five (5) areas categorized for proposed funding are Housing, Homeless, Special Needs Populations, Neighborhood, Community and Economic Development, and Administration and Planning. Together, the proposed activities represent Memphis' efforts to achieve overall and specific objectives, as set forth in the priority needs assessments established for the Three-year Strategy.

RESOURCES

Sources of Funds

The following table reflects the estimated amount of funds anticipated from the FY 2004 Federal entitlement.

Estimated FY 2004 (PY 2003) Funds Available

Program Name	Estimated Funds
FY 2004 CDBG Program	\$ 10,037,000.00
CDBG Re-Programmed Funds	7,526,119.00
CDBG Program Income	2,746,932.00
CD Float Fund Repayment (Program Income)	4,000,000.00
HOME Program	5,002,770.00
HOME Re-Programmed Funds	6,016,226.00
Emergency Shelter Grant (ESG) Program	389,000.00
Housing Opportunities for Persons With AIDS (HOPWA)	1,242,000.00
TOTAL	\$36,960,047.00

Other Resources

Other resources expected to be available for housing and community development activities from private and non-Federal sources in FY 2004 include City of Memphis funds totaling over \$4,800,000, other federal grants, low-income housing and historic tax credits, and private-sector equity investments. HCD will continue to apply for funds from other sources, as well as support other organizations as they apply for resources that enhance and complement the housing and community development Consolidated Plan objectives.

In 2004, HCD will continue to leverage its federal entitlement dollars through its partnerships with other government agencies, mortgage companies, lenders, and private investors in the implementation of housing and other development projects.

Other resources include the State of Tennessee who partners with local developers and the City in the development of affordable rental housing initiatives through the low-income housing tax credit and historic tax credit program. Qualifying owners or developers who receive tax credits may receive a dollar for dollar credit against their Federal income taxes for expenses incurred during the course of acquiring and rehabilitating affordable rental housing. HCD will leverage Federal entitlement funds (and City funds) by acting as a partner in a tax-credit projects: the implementation of the mixed-financed UpTown HOPE VI housing development project.

The City of Memphis continues to provide funding for the implementation of HCD's successful Downpayment Assistance Program. Similarly, the down payment assistance program is expected to leverage over \$2,000,000.00 in private mortgage financing in FY 2004.

There are several economic development projects (including Brownfields development projects) in which Federal entitlement dollars, and city funds continue to leverage funds from other sources. The Renewal Community designation and the New Market Tax Credits are expected to bring significant investment incentives to areas targeted for redevelopment. The City of Memphis expects to undertake remediation efforts in the Medical District/Biomedical District that will help to create hundreds of new jobs.

HUD requires a match of 25% for HOME funds. Because the City of Memphis qualifies as a city in fiscal distress, the match requirement is reduced to 12.5%. The City will use State of Tennessee/THDA, and City-funds for the HOME-eligible HARP and Replacement housing activities to meet the match requirement. Memphis also will carry-over excess match funds from previous fiscal year HOME match contributions. The City will require Community Housing Development Organizations (CHDOs) and agencies that receive Emergency Shelter Grant funds to provide their own match with eligible non-federal sources. The competitive grant applications process that HCD uses for entitlement funds, such as CDBG (local community and public services grants), ESG and HOPWA, require commitments from other funding sources.

Housing

This section of the FY 2004 Annual Plan summarizes priority needs and specific objectives identified in the 2002-2004 Three-Year Strategy of the Consolidated Plan. This section also provides the proposed accomplishments in terms of measurable objectives. The majority of funding for housing projects and programs is done through CDBG, HOME Program and City funds. The Division of Housing and Community Development (HCD) will continue to support the roles of Community Housing Development Organizations (CHDO's), the Faith-Based community, and community-based development organizations in the provision of housing rehabilitation, homeownership and rental housing development. The City primarily uses CDBG and City funds to implement its Downpayment Assistance Program.

In 2003, the waiting list for HCD's owner-occupied rehabilitation program (the HARP Program) was fulfilled. In FY 2004, the Replacement Housing Program expects to complete the construction of the remaining 34 replacement housing cases.

Over the last two years, the City has worked to design a neighborhood redevelopment initiative that would target its housing and community development resources to specific areas or neighborhoods. Funding commitments to HCD's owner-occupied rehabilitation programs are enhanced in FY 2004 through the use of reprogrammed HOME and CDBG funds.

A majority of HCD's housing initiatives will continue to be implemented through internal programs that have used for-profit sub-contractors to construct replacement houses and to rehabilitate owner-occupied single-family houses. The Replacement Housing and Single-family Rehabilitation Programs' capacity to increase its production of housing units continues to be enhanced by sub-contractor agreements with non-profit housing developers. Non-profit housing developers, who are involved with the HCD/Shelby County partnership to implement the lead-based paint hazard abatement activity, augment the rehabilitation of owner-occupied housing. HCD will work with CDC's in six (6) targeted areas identified as "Level 1 Target Areas" to help implement rehabilitation and replacement housing activities. The City's response to rental housing needs for low-to-moderate income renters will continue in 2004. HCD will refine its rental housing programs and will provide funding through its request-for-proposal process. Implementation of the redesigned rental housing program will focus on providing enhanced private-sector investment incentives for the construction and rehabilitation of rental housing.

The priority housing needs, specific objectives and measurable outcomes are presented as follows:

Housing Objective I: To provide assistance to first-time homebuyers

HCD's Downpayment Assistance Program uses CDBG funds to help achieve this objective. The City of Memphis provides general revenue funds to the Memphis Housing Resources Center who conducts homeownership counseling for homebuyers seeking to participate in several of the City assisted homebuyer efforts.

FY 2004 Annual Performance Measures

Priority Needs Categories - Homeowners/Homebuyers

- Down Payment Assistance 400 Clients
 - High Priority is given to 50% - 60% of MFI 600**
 - High Priority is given to 60% - 80% of MFI 100**
- Homeownership Counseling 800 Clients

Proposed Project(s) to meet Housing Objective I
Homebuyer Down Payment Assistance (DPA)

Housing Objective II: To increase the supply of available and adequate rental units suitable for families with children, special needs populations, and the elderly by expanding the use of rent subsidies and developing a Multi-family Demonstration Program that uses incentives to stimulate and support private market investments in rental housing production

The City of Memphis supports the efforts of non-profit and for-profit organizations and partnerships between these organizations that produce rental housing. In FY 2004, two tax-credit projects are expected to start development. (HCD/MHA are partners in the UpTown HOPE VI Project that includes the rehabilitation of Lauderdale Courts and the construction of the mixed-use Greenlaw Apartments.)

FY 2004 Annual Performance Measures

Priority Needs Category – Renters

- Elderly Rental 50 Units
 - High priority is given to < 30% MFI**
- Multi-family Units 75 Units
 - (Small Related Renters 25 Units)**
 - High priority is given to < 30% MFI**
 - (Large Related 25 Units)**
 - High priority is given to 0 to 60% MFI**
 - (Other Renters 25 Units)**
 - Medium priority is given to 50% to 80% MFI**

Proposed Project(s) to meet Housing Objective II

Tenant Based Rental Assistance
Section 108 Loan (Repayment)
596 Thomas Apartment Rehab
Wellington/Walker Apartment Rehab
MHA Multi-family Projects
MHA Graves Manor Relocation (Weaver/Richmond Place Projects)

Housing Objective III: To provide direct and indirect assistance to efforts which preserve existing housing, and efforts which prevent loss of housing

The housing needs analysis reported that 23% of all elderly homeowners and 28% of all homeowners, experienced housing problems and cost burdening. HCD provides rehabilitation assistance to eligible, low-moderate income homeowners for housing code improvements and major repairs. (In cases where repairs exceed the value of the house, replacement housing is provided.) Minor home improvements and grants to volunteer organizations for materials are used to facilitate aid to eligible homeowners needing minor repairs and maintenance.

Non-profit and for-profit housing developers and CHDO's will be used as partners and will help develop and implement the newly created multi-family rental programs and initiatives. These efforts will include PILOT demonstration project and investment incentives that stimulate the production of rental units for large, small elderly families and special needs population households.

FY 2004 Annual Performance Measures

Priority Needs Categories - Renter and Homeowner

- Owner-occupied Rehabilitation 170 Units
Homeowners (including elderly) ***High priority is given to 31% to 50% MFI***
- Multi-family 200 Units
 - (Small Related Renters 50 Units) ***High priority is given to < 30% MFI***
 - (Large Related Renters 50 Units) ***High priority is given to 31% to 50% MFI***
 - (Elderly Renters 50 Units) ***High priority is given to < 30% MFI***
 - (Other Renters 50 Units) ***High priority is given to <30% MFI***

Proposed Project(s) to meet Housing Objective III

Single-family Housing Rehabilitation

Replacement Housing Program

Minor Home Repair

Volunteer Home Repair

Low-Moderate Homeownership Assistance

Multi-Family Housing Program

CHDO Projects

Housing Objective IV: To assist the production of new housing

The City will assist and stimulate investment in the development and new construction of both rental and single-family housing. The City of Memphis provides General Revenue funds through its "Capital Improvement Budget" that enables infrastructure improvements in subdivisions that will contain rental or single-family housing developments. Some project activity will support the vacant, in-fill housing and neighborhood redevelopment opportunities being planned. The FY 2002 Housing Market Analysis showed that a market exists for either rental units or single-family new housing homeownership (those earning at least 50% of MFI or greater).

FY 2004 Annual Performance Measures

Priority Needs Categories - Renter and Homeowners_(New Construction)

- **Rental** 100 Units
 - (Small Related Renters 25 Units)
High priority is given to < 30% MFI
 - (Large Related Renters 25 Units)
High priority is given to 31% to 50% MFI
 - (Elderly Renters 50 Units)
High priority is given to < 30% MFI
- **Homeowners** 50 Units
 - (Single-family, new construction 25 Units)
Medium priority is given to 31% to 50% MFI
 - (Single-family, new construction 25 Units)
Low priority is given to 51% to 80% MFI

Proposed Project(s) to meet Housing Objective IV

HOPE VI UpTown Infrastructure

CHDO Projects

Multi-family Housing Programs

(City of Memphis C.I.P. - Infrastructure) Non-Federal Funds

Proposed FY 2004 Housing Programs, Projects & Activities

Project Name	Funding Source(s)	Funding Amount
HARP Single Family Housing Rehabilitation Program	HOME HOME Reprogrammed CD Float Loan Program Income	\$2,073,573.00 \$3,035,039.00 \$1,000,000.00
Minor Home Repair Program	Program Income	\$250,000.00
Volunteer Home Repair Program	CDBG Program Income	\$124,458.00 \$75,542.00
HARP Replacement Housing Program	CDBG Program Income CDBG Reprogrammed	\$1,261,141.00 \$1,747,202.00 \$2,518,234.00
Down Payment Assistance	CDBG Program Income CDBG Reprogrammed City Funds	\$400,000.00 \$450,000.00 \$1,116,022.00 \$500,000.00
Mill Creek Apartments – Section 108 Loan Repayment	CDBG Program Income	\$98,968.00 \$215,837.00
CHDO Projects	HOME	\$778,782.00
MHA – Cleaborn Homes Housing Construction	CDBG Reprogrammed Program Income	\$741,649.00 \$258,351.00
HARP/Temporary Rental	CDBG	\$60,000.00
HARP/Relocation-Moving	CDBG	\$30,000.00
596 Danny Thomas Apartment Rehab	HOME Reprogrammed	\$100,000.00
Wellington/Walker Apartment Rehab Loan-Grant	HOME Reprogrammed	\$250,000.00
Pontotoc/Lauderdale	CDBG Reprogrammed	\$30,791.00
Multi-Family Housing Program	HOME Reprogrammed	\$1,631,187.00
MHA – Multi-Family Projects	CD Float Loan Program Income	\$500,000.00
MHA – Graves Manor Relocation (Weaver Fields & Richmond Place Apartments)	CD Float Loan Program Income	\$2,500,000.00
Mallard Pond Apartments (aka Parkway Apartments)	HOME	\$1,000,000.00
TOTAL		\$22,682,641.00

FY 2004 Proposed Housing Program/Project Descriptions

HARP Single-Family Rehabilitation Program

Funding Sources:	HOME	\$2,073,573.00
	HOME Reprogrammed	\$3,035,039.00
	Program Income	\$1,000,000.00

The single family rehabilitation program provides financial and construction assistance to low and moderate income homeowners who need repairs to their homes. This program mainly focus on bringing housing units up to code by completing major repairs including lead-paint abatement.

Minor Home Repair

Funding Sources:	Program Income	\$250,000.00
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This program provides assistance to low income elderly or disabled homeowners to repair conditions in their homes that directly affect the health and safety of the residents.

Volunteer Home Repair

Funding Sources:	CDBG	\$124,458.00
	Program Income	\$75,542.00

The City of Memphis partners with program participants, providing materials and supplies for minor home repairs, while participants provide volunteer labor to make the repairs to owner occupied homes of senior citizens (60 or older) and/or the disabled. Volunteer groups may include, but are not limited to, nonprofit organizations, local businesses, and neighborhood organizations. Applications are processed on the basis of availability of volunteer labor and program funding.

HARP Replacement Housing Program

Funding Sources:	CDBG	\$1,261,141.00
	Program Income	\$1,747,202.00
	CDBG Reprogrammed	\$2,518,234.00

The replacement program addresses the City's anti-displacement policy. When an owner-occupied house has severe code violations and may not be rehabilitated under the Single-family Rehabilitation Program, it may require demolition. The replacement-housing program constructs new houses on-site or assists eligible participants to locate and purchase a home when their home the home may not be rebuilt on-site.

Mill Creek – Section 108 Repayment

Funding Sources:	CDBG	\$98,968.00
	Program Income	\$215,837.00

These funds will be used for the repayment of a Section 108 loan from HUD for the rehabilitation of a 243-unit apartment located in the Whitehaven community. Low-income persons occupy over 90% of the units in this complex.

Homebuyer Down Payment Assistance (DPA)

Funding Sources:	Program Income	\$450,000.00
	CDBG Re-Programmed	\$1,116,022.00
	City funds	\$450,000.00

This program helps low/moderate income people make down payments and pay closing costs on homes. To be eligible, participants must meet low and moderate income

guidelines. Assistance is available towards the purchase of single family residences, townhomes, and zero lot-line homes. There are no guidelines for where the home must be located, other than within Memphis City Limits.

CHDO Projects

Funding Sources: HOME \$778,782.00

HCD sets aside fifteen percent of the annual HOME entitlement for Community Housing Development Corporation (CHDO) projects. These funds are used for development projects, specifically single family (homeowner) or rental development. These funds are awarded to eligible CHDO's through a competitive process and will be incorporated into the final draft of the plan.

Multi-Family Rental Housing Program

Funding Sources: HOME Re-Programmed \$1,631,187.00

HOME funds for the Multi-Family Rental Housing Program will be leveraged against private sector investments that will be used in targeted areas of the City. Loans and or grants will be used to establish partnerships with developers who will rehabilitate or construct rental housing units for low and moderate-income families.

Wellington/Walker Apartment Rehab Loan-Grant

Funding Sources: HOME Re-Programmed \$250,000.00

HOME funds will be used to provide a loan to renovate an existing 29 unit apartment building for HOME eligible renters.

596 Danny Thomas Apartment Rehab

Funding Sources: HOME Re-Programmed \$100,000.00

HOME funds will be used to provide a loan to renovate an existing 14 unit apartment building for HOME eligible renters.

MHA – Cleaborn Homes Housing Construction

Funding Sources:	CDBG Reprogrammed	\$741,649.00
	Program Income	\$258,351.00

CDBG funds will be provided to the development arm of the Memphis Housing Authority to construct 15 units of single family modular houses on the redeveloped Cleaborn Homes site. Houses will be acquired and installed on a part of the site that will be demolished at Cleaborn Homes. All units will be affordable according to HOME guidelines.

Temporary Rent

Funding Sources: CDBG \$60,000.00

These funds are used to pay for the temporary relocation/rental of household whose homes are being rehabilitated by the City's Single-family Rehabilitation Program

Relocation/Moving

Funding Sources: CDBG \$30,000.00

These funds are used to provide relocation assistance, including moving costs, to households whose homes are being rebuilt thru the Replacement Housing Program.

MHA – Graves Manor Relocation (Weaver Fields & Richmond Place Apartments)

Funding Sources: CD Float Loan Program Income \$2,500,000.00

As part of the Memphis Housing Authority's strategy to redevelop the Graves Manor development, CDBG funds will be used to acquire and relocate tenants into two mixed income housing complexes: The Weaver Fields Apartments (108 existing units) and the Richmond Place Apartments (100 existing units). The acquisition provides the opportunity for an immediate infusion of replacement housing and will be 50% public housing/50% income tiered.

MHA Multi-Family Projects

Funding Sources: CD Float Loan Program Income \$500,000.00

Funds will be provided to a CBDO to renovate and repair 109 vacant dwelling units at MHA's Dixie Homes.

Mallard Pond

Funding Sources: HOME Re-Programmed \$1,000,000.00

Funds will be used to renovate a 314 unit apartment building that will include eligible on-site improvements.

Special Needs Populations

This section of the FY 2004 Annual Action Plan summarizes priority needs and specific objectives identified in the three-year Strategic Plan pertaining to special needs populations. Special needs populations consists of five categories; HIV/AIDS, Mentally Ill, Elderly, Chronic Substance Abusers, and the Disabled. Elderly needs include the Frail Elderly and the Disabled refer to those who are developmentally disabled as well as the physically disabled. Specific objectives are presented in relation to the priority needs for FY 2004. Priority needs are based upon the 2002-2004 Three-Year Strategic Plan and the recent needs assessment conducted for the special needs population. Upon determining the needs and objectives, the planning process proposed accomplishments that are shown in terms of performance measures.

The majority of funding for special needs populations' projects and programs is provided through a competitive awards process known as Community Services Grants Awards (CSG). CSG is funded using Community Development Block Grant (CDBG) funds. The process starts with the issuance of a request for proposals. Service providers respond by submitting proposals. The proposals are reviewed for completeness and eligibility. After completeness and eligibility determinations have been made, a committee evaluates and ranks each proposal to determine which projects and programs will receive funding. Program activities including the Memphis Food Bank and Title XX Match Program (elderly healthcare) are considered an essential service and are funded on a non-competitive basis. Housing Opportunities for Persons With AIDS (HOPWA) funds are used for supportive services, short-term housing and utilities and short-term rental assistance. HOPWA funds are administered through the United Way of the Mid-South. Through collaboration and consultation with service providers, HCD recognizes the need to address and support the special needs populations' access to decent and affordable rental housing. It is assumed that the majority of individuals comprising the special needs population are low and very low income. HCD therefore uses HOME funds to provide Tenant Based Rental Assistance (TBRA) to families and persons with HIV/AIDS, mentally ill clients, victims of domestic violence, and families with children poisoned by lead paint. Family Services of the Mid-South administers TBRA funding.

Needs Assessment

In continuation of efforts to better assess the needs of special needs populations, Partners for the Homeless, expanded on its previous documentation of the inventory of existing housing and services for special needs populations. Using research and analysis of up-dated demographics combined with extensive collaboration with service providers, needs were further examined and priorities were formulated. Objectives were created in order to address the priorities and needs. While funding is not sufficient to address all the needs and priorities, in FY 2004, HCD emphasizes financial assistance to the housing needs of certain sub-populations. The needs assessment recognizes that there is a need to develop temporary shelter for severely mentally ill persons, a "SafeHaven". HCD will continue to encourage the development of a "SafeHaven". Another priority that is reiterated in FY 2004 is the need to develop permanent supportive housing. In response to a major funding need for supportive housing for special needs populations, HOME funds will be provided as a match to encourage the creation of permanent supportive housing through the Continuum of Care application process. At the April 16, 2003 Public Hearing, a suggestions was made that equal emphasis be given to projects that seek to respond to individuals as well as women and children.

Special Needs Populations Objectives

HIV/AIDS Priority Needs

In Shelby County, there is a wide range of services available to persons with HIV/AIDS. Since services are limited in availability and scope, housing and transportation for persons with HIV/AIDS are given a high priority.

HIV/AIDS Objective: To improve the self sufficiency of persons with HIV/AIDS through supportive services and permanent housing.

FY 2004 Annual Performance Measures

- Develop permanent housing coordinated with supportive services for persons with HIV/AIDS 5 units
- Develop rental assistance program or otherwise supportive housing units for women with HIV/AIDS and their children 8 units
- Create units that utilize TBRA 8 units

Proposed Project(s) to meet HIV/AIDS Objective

Tenant Based Rental Assistance

Friends for Life

HOPWA

Mentally Ill Priority Needs

High priority needs for the mentally ill are housing and supportive services. Rehabilitation of existing facilities along with construction of new units is needed. Tenant based rental assistance is provided through a contract with United Way and other supportive services and housing providers to help meet the housing need.

Mentally Ill Objective: *To increase the number and quality of transitional housing and permanent supportive housing/units for individuals with serious mental illness and/or dually diagnoses.*

FY 2004 Annual Performance Measures

- Develop permanent housing coordinated with supportive services for the mentally ill 10 units

Proposed Project(s) to meet Mentally Ill Objective

Tenant Based Rental Assistance

Foundation Associates

Lowenstein House

Elderly Priority Needs

The high priority needs for the elderly are low cost assisted living facilities, homemaker services, personal care assistance, home delivered meals, and transportation..

Elderly Objective: *To improve the self sufficiency of the elderly through supportive services.*

FY 2004 Annual Performance Measures

- Senior Supportive Services 250 elderly households
- Renovate or expand facilities that provide services for the elderly 1 facilities

Proposed Project(s) to meet Elderly Objective

Title XX Program Match

Help Care Homemaker Service Plus

Chronic Substance Abusers Priority Needs

High priority needs are funding of existing treatment programs, increased awareness of available treatment resources by the community, and better community support. There is a high priority need for the development of additional specialized, short-term assessment beds/emergency shelter specifically for chemically dependent persons for assessment, detoxification, and/or persons awaiting admittance to treatment. Also recognized as a high priority is fostering the coordination of a well-coordinated and effective street outreach program to chemically dependent persons that will focus on ensuring appropriate treatment and recovery services.

Chronic Substance Abusers Objective: *To increase support and awareness of programs that treat chronic substance abusers.*

FY 2004 Annual Performance Measures

- Fund existing treatment facilities and programs 1 program

Disabled Priority Needs

High priority needs include the lack of acceptance by the general public and inadequate housing for physically disabled, dependable support, and transportation.

Disabled Objective: *To increase the number and quality of permanent supportive housing units for persons with disabilities.*

FY 2004 Annual Performance Measures

- Develop permanent housing that is adequate for persons with disabilities 10 units

Proposed Project(s) to meet Disabled Objective

Title XX Program Match

Help Care Homemaker Service Plus

FY 2004 Special Needs Populations Proposed Projects and Funding

Project Name	Funding Source(s)	Funding Amount
Tenant Based Rental Assistance	HOME	\$600,000.00
Housing Opportunities for Persons with AIDS	HOPWA	\$1,204,740.00
Title XX Program Match	CDBG	\$186,615.00
Help Care Shared Cost Homemaker Program	CDBG	\$5,000.00
The Exchange Club's Children/Adolescent's Domestic Violence	CDBG	\$34,760.00
Court Appointed Special Advocates (CASA) - Volunteer Training	CDBG	\$33,180.00
Memphis Child Advocacy Center for Sexually Abused Children *	CDBG	\$2,655.00
Foundation Associates	CDBG	\$46,000.00
Friends-for-Life	CDBG	\$46,000.00
Lowenstein House	CDBG	\$97,937.00
Total		\$2,256,887.00

*** Note: Balance of \$36,202.50 will be funded after July 1, 2003 with closed activities funds.**

Special Needs Populations Project Description

Tenant-Based Rental Assistance

Funding Sources: HOME \$600,000.00

Tenant-Based Rental Assistance (TBRA) provides rental assistance combined with comprehensive supportive services. FY2004 Funds will be used to provide TBRA to persons with HIV/AIDS, mentally ill clients, victims of domestic violence, and families of children that have been lead paint poisoned through Family Services of the Mid-South.

HOPWA Projects

Funding Sources: HOPWA \$1,204,740.00

These funds are made available thru the Strategic Community Investment Fund process and will be distributed to organizations on a competitive basis. These funds are used to address housing needs along with supportive services, short-term housing and utilities, and short-term rental assistance.

Title XX Program Match – Help Care Project

Funding Sources: CDBG \$186,615.00

SSBG provides homemaker/caretaker services to the elderly and disabled residents of certain Census Tracts. With the assistance of Homemaker Aides, participants are

empowered to increase their independence, becoming more self-sufficient. Homemakers also aid in preventing neglect and abuse from other adults. CDBG funds are used to provide for the costs of operating this program and will help to provide services in FY 2004.

Help Care Homemaker Service Plus

Funding Sources: CDBG \$5,000.00

The Help Care Homemaker Service Plus will provide basic homemaker services, including general cleaning, meal planning, errands, escorts to medical appointments, laundry and companionship to elderly and disabled persons in order to allow them to stay in their homes rather than to institutionalize them.

The Exchange Club

Funding Sources: CDBG \$34,760.00

The Children/Adolescent Domestic Violence Program, implemented by The Exchange Club, will provide a comprehensive program of support services, assessments, safety planning and counseling for children and adults that have experienced domestic violence. CDBG funds will pay a portion of several staff salaries to provide direct services to clients.

Court Appointed Special Advocates (CASA) Volunteer Training

Funding Sources: CDBG Prior Year \$33,180.00

Court Appointed Special Advocates (CASA) operates a child advocacy program which serves abused and neglected children who come before Juvenile Court. CDBG funds will help pay the salary of the Volunteer Coordinator who recruits and trains volunteers to serve as advocates for the children in Court proceedings.

Memphis Child Advocacy Center for Sexually Abused Children

Funding Sources: CDBG \$2,655.00

The program provides prompt and on-going treatment to abused children and their families, reducing the child's trauma and providing child-friendly services in a child-focused environment. Funds will be used to help pay salaries of the Outreach Coordinator and Social Services Specialist. (Balance of \$36,202.50 will be funded after July 1, 2003 with closed activities funds.)

Foundation Associates

Funding Sources: CDBG \$46,000.00

Foundation Associates is the supporting agency for the Power Center who will use these funds to cover operating expenses in the implementation of its program to serve mentally ill persons.

Lowenstein House

Funding Sources: CDBG \$97,937.00

Funds will be used by Lowenstein House to acquire and rehabilitate property located at 1086 S. Bellevue affording the provision of emergency and transitional housing to mentally ill persons.

Friends-for-Life

Funding Sources: CDBG \$46,000.00

Friends for Life will use the funds to coordinate the delivery of medical and supportive services to persons with HIV/AIDS.

Homeless

The homeless section summarizes the homeless priority needs and specific objectives as identified in the Three-year strategy. Specific objectives for FY 2004 correspond to identified priority needs. Priority needs are determined through the process used to develop the Consolidated Plan and are adjusted based upon information obtained from the annual homeless needs assessment. Measurable outcomes are formulated to show planned accomplishments in meeting the priority needs and specific objectives. HCD funds the majority of homeless projects and programs with Emergency Shelter Grant (ESG) funds. ESG funding is determined through a competitive grant application process that reviews requests for funding from agencies and service providers who provide shelter and implement services that meet the needs of homeless persons. CDBG funds are awarded to Partners for the Homeless (Partners) and The Greater Memphis Interagency Coalition for the Homeless (GMICH). These two agencies coordinate the planning and research of the homeless population, gather input and information from homeless service providers, and facilitate the Continuum of Care application process.

Needs Assessment

Partners, homeless service providers, and other key stakeholders coordinate with GMICH to produce the Annual Homeless Needs Assessment and Gaps Analysis for FY 2004. Partners, a public-private partnership supported by the City of Memphis, Shelby County, local foundations and businesses, coordinates and facilitates the Continuum of Care application process and maintains the Intake Database System, a homelessness system-wide database of information provided by local agencies serving homeless people. The database, while incomplete, provides a wealth of information and a solid basis for determining numbers and needs. GMICH coordinates and conducts a retreat to solicit community input into the planning process for the Needs Assessment and Gaps Analysis for the City's Consolidated Plan and the Continuum of Care application. GMICH also publishes a directory of services, shelters, transitional housing programs specifically for homeless people, including individuals unaccompanied by children and families with children, which is updated annually. The directory also includes agencies and organizations that serve the broader community, including individuals and families threatened with homelessness.

The intent of the Annual Homeless Needs Assessment is to provide a realistic assessment of the gaps between existing inventory and estimated needs for the homeless population. It is important to note that there are limitations to the assessment. Not all agencies are required to participate in gathering data on clients and not all agencies collect the same data. For these reasons the assessment reflects a conservative count/estimate of the numbers of people who requested and/or received services, shelter, transitional housing and permanent supportive housing. Even though there are limitations, the assessment provides excellent information and foster the determination of high priority needs. The high priority needs for the homeless are as follows:

Outreach/Assessment

- Coordination of outreach services
- Need to focus on individuals who have been chronically homeless as a means of pooling resources to help them into housing

- Need for more outreach workers who possess additional knowledge on such as nursing, mental health, and substance abuse issues
- Need for a formal “cold night” policy
- Need for a Safe Haven or engagement center for clients who are chronically homeless

Emergency Shelters and Services

- Reduce the recidivism rate in emergency programs
- More programs need to address core issues that contribute to homelessness
- Programs need to be able to address intact (two-parent) families wherein the parents use drugs
- Emergency service options for families
- Programs that have the ability to serve single parent families with children over the age of thirteen

Transitional Housing

- Coordinated efforts among transitional housing providers to better serve the needs of all clients
- Need for clients to enter treatment instead of taking advantage of the system
- Transitional housing units for families and individuals with special needs
- Decent, safe, and affordable rental units for families/individuals graduating from transitional shelters
- Transitional housing units for large families

Permanent Supportive Housing

- Permanent supportive housing for chronic substance abusers
- Permanent supportive housing for persons with severe mental illness

Preventative Homeless Activities

- Development of an effective mechanism for identifying and accessing case management services for clients
- Development of a mechanism for obtaining more detailed information on services provided
- Vision care and restorative dental services
- Development of programs to allow clients on prescribed medications to be served/housed

The FY 2004 Annual Action Plan's priority needs, specific objectives and measurable outcomes for Homeless are presented in the following tables.

Homeless Objective I: *To increase housing and services options for homeless persons and families with children.*

FY 2004 Annual Performance Measures

Priority Needs Category - Homeless families with children

- Creation of a central intake/assessment center for families with children
- Develop/create of an additional 40 units of transitional housing for families with children, including units that can accommodate families with older male children, and/or large families
- Develop incentives for creating permanent supportive housing for homeless persons and families with children

Proposed Project(s) to meet Homeless Objective I

Alpha Omega

Memphis Family Shelter

Memphis Interfaith Hospitality Network

MIFA (Estival Communities)

Salvation Army

MIFA Transitional Housing

Continuum of Care Match

Homeless Objective II: *To establish extensive collaboration and cooperation among homeless service providers.*

FY 2004 Annual Performance Measures

Priority Needs Category – Outreach and Assessment

- Development of a Homeless Management Information System that meets HUD requirements
- Participation by a minimum of 50% of local programs for homeless individuals and families

Proposed Project(s) to meet Homeless Objective II

Continuum of Care Match

Homeless Objective III: *To increase coordination and integration of local programs with mainstream resources, including Temporary Assistance for Needy Families (TANF)/Families First, the Food Stamp Program, Alcohol, Drug and Mental Health Block Grant funds, Medicaid, TennCare/TennCare Partners (the State's program for providing health and mental health care), the Children's Health Insurance Program (CHIP), Workforce Development Act agency, Welfare to Work resources and the Foster Care system.*

FY 2004 Annual Performance Measures

Priority Needs Category – Outreach and Assessment

- Convene the Task Force

Proposed Project(s) to meet Homeless Objective III

Continuum of Care Match

Homeless Objective IV: *To increase the number of programs for homeless people that meet or exceed minimum quality standards for services, facilities and fiscal accountability as set forth in the proposed Quality Standards of Care.*

FY 2004 Annual Performance Measures

Priority Needs Category - Outreach and Assessment

- Participation by a minimum of 50% of local programs for homeless individuals and families

Proposed Project(s) to meet Homeless Objective IV

Lowenstein House
 Memphis Family Shelter
 Memphis Interfaith Hospitality Network
 MIFA (Estival Communities)
 Salvation Army
 Continuum of Care Match

Homeless Objective V: *To establish a Homeless Management Information System (HMIS) that meets HUD requirements for tracking clients and outcomes and agency participation.*

FY 2004 Annual Performance Measures

Priority Needs Category – Case Management

- Development of a Homeless Management Information System that meets HUD requirements

Proposed Project(s) to meet Homeless Objective V

Salvation Army
 Continuum of Care Match

The following table lists proposed FY 2004 Homeless Projects and Activities.

FY 2004 Homeless Proposed Projects and Funding

Project Name	Funding Source(s)	Funding Amount
Alpha Omega	ESG	\$38,000.00
Case Management, Inc.	ESG	\$20,000.00
Catholic Charities, Inc.	ESG	\$51,584.00
Lowenstein House	ESG	\$17,578.00
Memphis Family Shelter	ESG	\$51,070.00
Memphis Interfaith Hospitality Network	ESG	\$36,700.00
MIFA (Estival Communities)	ESG	\$45,000.00
Salvation Army	ESG	\$55,000.00
Seek for the Old Path	ESG	\$15,000.00
Whitehaven SW Mental Health	ESG	\$39,618.00
MIFA Transitional Housing	HOME	\$300,000.00
Continuum of Care	HOME	\$500,000.00
Memphis Family Shelter	CDBG	\$19,468.00
The Salvation Army	CDBG	\$50,000.00
Total		\$925,633.00

Homeless Project Descriptions

Alpha Omega

Funding Source: ESG \$38,000.00

Alpha Omega will use these funds for maintenance and operation expenses to provide emergency and transitional housing to homeless veterans. Alpha Omega will serve 500 homeless veterans.

Case Management, Inc.

Funding Source: ESG \$20,000.00

Case Management will use these funds for homeless prevention activities with an emphasis on mentally ill/dually diagnosed homeless persons. Case Management will serve 100 homeless individuals.

Catholic Charities, Inc.

Funding Source: ESG \$51,584.00

Catholic Charities will use these funds for essential services to pay the salary of a residential service coordinator that will provide continued long-term care services for homeless persons with severe and chronic mental illness as well as the dually diagnosed.

Lowenstein House

Funding Source: ESG \$17,578.00

Lowenstein House will use these funds for essential services to pay the salaries of a Housing Case Manager and an Intake Case Manager who will assist current staff with the implementation of essential services and homeless prevention activities.

Memphis Family Shelter

Funding Source: ESG \$51,070.00

Memphis Family Shelter will use these funds to pay for the maintenance and operational expenses of a transitional shelter. The agency will provide transitional shelter for 150 homeless women and their children.

Memphis Interfaith Hospitality Network

Funding Source: ESG \$25,500.00

Memphis InterFaith Hospitality Network will use ESG funds for essential services for homeless families in providing transitional housing and supportive services. Memphis InterFaith will serve 78 individuals.

Memphis InterFaith Hospitality Network

Funding Sources: ESG \$11,200.00

Memphis InterFaith Hospitality Network will use ESG funds for operating expenses to provide homeless families with transitional housing and supportive services.

MIFA (Estival Communities)

Funding Source: ESG \$45,000.00

Metropolitan Inter-Faith Association (MIFA) will use these funds for the on going operational costs of providing maintenance and residential utilities for 65 housing units that make up Estival Communities.

Salvation Army

Funding Source: ESG \$35,000.00

Salvation Army will use these funds for essential services to pay the salary of a case manager that will work with homeless clients in the 30-bed emergency shelter for women.

Salvation Army

Funding Sources: ESG \$15,000.00

Salvation Army will use these funds for homeless prevention activities assisting 15 utility cases and 3 rental cases per month.

Salvation Army

Funding Sources: ESG \$5,000.00

Salvation Army will use these funds to pay for utilities and food for homeless clients in the emergency shelter. The agency shall provide 1,064 bed nights of emergency shelter for women and their children.

Seek for the Old Path

Funding Source: ESG \$15,000.00

Seek for the Old Path will use these funds for maintenance and operation expenses to provide emergency shelter to homeless women and their children. Seek for the Old Path will serve 600 homeless persons.

Whitehaven SW Mental Health

Funding Sources: ESG \$7,525.00

The Southwest Mental Health Center will use these funds for operational expenses to provide homeless prevention services. The services will include outreach and assessment for 525 individuals, 270 intakes, 100 rent, and 300 people through case management.

Whitehaven SW Mental Health

Funding Sources: ESG \$32,093.00

Southwest Mental Health Center will use these funds for essential services to pay the salary of an outreach case manager that will provide homeless prevention services to the serious mentally ill homeless.

MIFA Transitional Housing

Funding Source: HOME \$300,000.00

MIFA will use these funds to construct an eight-unit apartment building located at the northeast corner of Pontotoc and Orleans. The building will serve as a component of their transitional housing program and will be used for supportive rental housing. Funding for this project will occur over multiple years.

Continuum of Care Match

Funding Source: CDBG \$500,000.00

These funds will be used to provide up to fifty percent of the required match for HUD Continuum of Care permanent supportive housing applications. The project will encourage the provision of permanent supportive housing for the disabled. Funds will be used for acquisition, new construction or rehabilitation of affordable rental housing. All projects will meet the lease requirement of HOME – assisted rental housing.

Memphis Family Shelter

Funding Source: CDBG \$19,468.00

Memphis Family Shelter will use these funds for essential services to pay the salaries of a Children's Program Director and a Bus Driver that will work with homeless children in providing an educational and enrichment program for homeless children at risk for academic failure.

Salvation Army

Funding Source: CDBG \$50,000.00

Salvation Army will use these funds for essential services to pay the salary of a case manager and half of a salary to pay a second case manager that will provide assessment and referral for 1,200 homeless families.

Neighborhood, Economic and Community Development

HCD identified priority non-housing community development needs and specific long and short term community development objectives in accordance with CDBG program requirements. Neighborhood and economic development are incorporated into priority non-housing community development.

In an effort to respond to community and public service needs, HCD uses a Community Service Grant Program. The program is a competitive grant application process that reviews requests for funding from agencies and service providers who implement services and programs that meet public service needs of low and moderate-income persons. Additionally, the City of Memphis provides General City Funds to HCD to increase community and public services for specific economic development, community initiatives and summer youth services.

Inner-city neighborhoods in Memphis continue to deteriorate due to significant disinvestment, commercial and residential population declines and overall blight. Over the past three years, redevelopment and neighborhood revitalization have become higher priorities of the City's administration. In order to accomplish neighborhood redevelopment, target areas and neighborhoods have been selected for public improvements and community services that will foster neighborhood improvement. HOPE VI initiatives are large developments that require time and multi-year commitment before final benefits may be realized. Neighborhood plans for targeted areas and neighborhoods that contain smaller projects and initiatives are expected to yield benefits in a shorter term. Neighborhoods were selected based on the following criteria:

- Location
- Amount of investment already occurring or planned
- Presence of a viable CDC/CHDO
- Assets present in the neighborhood
- Ability to attract private investment
- Ability to sustain and leverage city/federal investment

City funds will be used to support economic development for the Renaissance Business Center located at 555 Beale Street. The Renaissance Business Center is a "one stop shop" service center that provides entrepreneurs and small businesses in Memphis with technical assistance, training, one-on-one counseling and serves as a clearinghouse for information and financial resources. The Center also administers the Memphis Opportunity Fund, which provides financing to small businesses.

HCD recognizes that non-profits, such as CDC's and CHDO's, are critical components in fostering neighborhood and community development. In FY 2004, HCD will continue to provide technical assistance and training to non-profits that provide community and public services in response to neighborhood development needs. HCD and the City of Memphis also plan to establish six Community Resource Centers. The planned locations for the resource centers are Orange Mound, North Memphis, College Park, Frayser, New Chicago, and South Memphis. These centers will provide a number of services for community and economic development. The facilities propose to house neighborhood based CDC's, job/skills training services, and will also serve as a community meeting facility and clearinghouse for information.

HCD's efforts to respond to community services and public facilities needs are done largely through a request for proposal process known as the Community Service Grant application process. This is a competitive process. HCD's ability to respond to community service needs is limited by a 15% cap placed on CDBG for use towards community services. The City, through the Consolidated Planning Process, has committed close to \$7,000,000.00 in funding for projects that respond to neighborhood and economic development. This commitment supplements community development and increases the City's ability to address non-housing needs.

The FY 2004 Annual Action Plan's priority needs, specific objectives and measurable outcomes for Neighborhood, Community and Economic Development are presented in the following tables. Community and Public Services are combined with Neighborhood and Economic Development in this section to comprise non-housing community development.

Community and Public Services Objective I: *To enrich the life opportunities of children and youth from primarily low/moderate income families.*

Annual Performance Measures

- | | |
|-----------------------------------|-----------|
| • Youth Athletic Activities | 500 Youth |
| • Summer Enrichment Opportunities | 175 Youth |
| • Summer Academic Activities | 35 Youth |

Proposed projects to meet Community and Public Services Objective I

Summer Enrichment Sport

Summer Enrichment II

Achieve Academy Co-op

REAP

SWEEP

B.O.L.D Brothers

Bridges, USA, Inc.

Emmanuel Center

Girls, Inc.

Kappa Alpha Psi

Memphis Urban League

S.M.A.R.T.

Community and Public Services Objective II: *To support and provide funding to supportive service agencies and non-profit organizations that provide youth and senior programs and public services.*

Annual Performance Measure

- To implement a competitive grant program (Community Services Grant Program) that seeks to balance priorities that include public facilities, youth, elderly programs and public services

Proposed projects to meet Community and Public Services Objective II

Orange Mound RC

Walker House RC

Frayser RC

North Memphis RC

WIC Match

Food Bank

Urban Gardening

South Memphis Alliance RC

Catholic Diocese of Memphis

Neighborhoods, Community & Economic Development Objective I: *To establish early intervention actions that focus on coordinated efforts that result in adaptive reuses of problem vacant buildings and lots that contribute to slum and blight in targeted areas/neighborhood.*

Annual Performance Measures

- Develop neighborhood plans that maximize the use of publicly owned, vacant lots and buildings
- Use all powers available to HCD, Community Redevelopment Agency and MHA to acquire properties for neighborhood redevelopment

Proposed projects to meet Neighborhoods, Community & Economic Development Objective I

Grant School

Targeted Demolition

Property Assembly

Property Maintenance

Urban Gardening

Neighborhoods, Community & Economic Development Objective II: *To commit resources for neighborhood and community development that is based upon concentrated and targeted efforts where significant redevelopment and revitalization initiatives provide a base for critical mass.*

Annual Performance Measures

- Develop Neighborhood Plans 3 Plans
- Implement Neighborhood Redevelopment in Targeted Areas 3 Areas
- Provide land acquisition as contribution to projects

Proposed projects to meet Neighborhoods, Community & Economic Development Objective II

Development Relocation

Firestone

Targeted Demolition

Frayser Dev. Implementation

Lamar Terrace

Neighborhoods, Community & Economic Development Objective III: *To develop investment incentives that leverage and are coordinated with redevelopment and neighborhood planning efforts.*

Annual Performance Measures

- Develop PILOT programs for multi-family housing program
- Consider the use of interest and rent subsidy payments to stimulate single-family housing improvements

Proposed projects to meet Neighborhoods, Community & Economic Development Objective III

Grant School

Targeted Demolition

Property Assembly

The following table presents the proposed projects and activities that will be used to meet the Neighborhood, Community and Economic Development described above.

Proposed FY 2004 Neighborhood, Economic & Community Development Activities

Project Name	Funding Source(s)	Funding Amount
Orange Mound Resource Ctr	CDBG Reprogrammed	\$75,000.00
Walker House Resource Ctr	CDBG Reprogrammed	\$30,000.00
Frayser Resource Ctr	CDBG Reprogrammed	\$150,000.00
North Memphis Resource Ctr	CDBG Reprogrammed	\$250,000.00
Development Relocation	CDBG	\$265,000.00
	CDBG Reprogrammed	\$230,445.00
East View	HOME Reprogrammed	\$700,000.00
Brownfield Development	CDBG	\$50,000.00
WIC Match	CDBG	\$75,000.00
College Park Street and Lighting Improvement	CDBG Reprogrammed	\$300,000.00
Center for Neighborhood	CDBG Reprogrammed	\$100,000.00
Boys Club/Porter Gym	CDBG Reprogrammed	\$100,000.00
Boys Club/Dixie Homes	CDBG Reprogrammed	\$100,000.00
Grant School	CDBG Reprogrammed	\$100,000.00
Firestone	CDBG Reprogrammed	\$200,000.00
Targeted Demolition	CDBG Reprogrammed	\$600,000.00
Frayser Dev Implementation	CDBG Reprogrammed	\$250,000.00
South Memphis Alliance Resource Ctr	CDBG Reprogrammed	\$150,000.00
Coach and Four	CDBG Reprogrammed	\$500,000.00
Lamar Terrace	CDBG Reprogrammed	\$1,000,000.00
Summer Enrichment Sport	CDBG	\$150,000.00
Summer Enrichment II	CDBG	\$40,000.00
Achievement Academy Co-op	CDBG	\$15,000.00
REAP	CDBG	\$15,000.00
SWEEP	CDBG	\$12,000.00
Property Assembly	CDBG	\$54,154.00
Property Maintenance	CDBG	\$73,000.00
Food Bank	CDBG	\$75,000.00
Urban Gardening	CDBG	\$41,000.00
B.O.L.D. Brothers	CDBG	\$35,000.00
Bridges, USA, Inc.	CDBG	\$39,500.00
Emmanuel Center	CDBG	\$50,000.00
Girls Inc.	CDBG	\$46,000.00
Kappa Alpha Psi	CDBG	\$35,000.00
Memphis Literacy Council	CDBG	\$39,500.00
Memphis Urban League	CDBG	\$45,000.00
S.M.A.R.T.	CDBG	\$25,000.00
Black Arts Alliance	CDBG Reprogrammed	\$100,000.00
Chicago Park Place School	CDBG	\$50,041.00
TOTAL		\$6,165,640.00

FY 2004 Neighborhood, Community and Economic Development Project Descriptions

Orange Mound Resource Center

Funding Sources: CDBG Reprogrammed \$75,000.00

These funds are proposed for a public facility that will be located in the Orange Mound neighborhood. The Orange Mound CDC proposes to use this grant for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Walker House Resource Center

Funding Sources: CDBG Reprogrammed \$30,000.00

These funds are proposed for a public facility that will be located in the LeMoyne/College Park HOPE VI area. The LeMoyne-Owen College CDC proposes to use this grant for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Frayser Resource Center

Funding Sources: CDBG Reprogrammed \$50,000.00

These funds are proposed for a public facility that will be located in the Frayser area. The Frayser CDC proposes to use this grant for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

North Memphis Resource Center

Funding Sources: CDBG Reprogrammed \$250,000.00

These funds are proposed for a public facility that will be located in the North Memphis area. The North Memphis CDC proposes to use this grant for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Development Relocation

Funding Sources:	CDBG	\$265,000.00
	CDBG Reprogrammed	\$230,445.00

CDBG funds will be used to pay for the costs involved in relocating property owners whose properties are acquired as part of HCD funded projects.

Brownfield Development

Funding Sources:	CDBG Reprogrammed	\$50,000.00
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Funds will be used for activities related to the disposition of a blighted site acquired for clean-up and remediation of contaminated materials. This property has been previously designated as a slum and blighted area.

WIC Match

Funding Sources:	CDBG Reprogrammed	\$75,000.00
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A component of the Families First Memphis Consortium, WIC provides employment and life-skills training to AFDC recipients and those of low to moderate-income levels. CDBG funds are used to provide for the costs of operating this program.

College Park Street and Lighting Improvement

Funding Sources:	CDBG Reprogrammed	\$300,000.00
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CDBG funds will be used for street and lighting improvement in the College Park neighborhood, a targeted neighborhood.

Center for Neighborhoods

Funding Sources:	CDBG Reprogrammed	\$100,000.00
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Center for Neighborhoods is under the umbrella of the Division of Public Services and Neighborhoods. The organization was founded in 1983. The Center provides technical assistance and training to over 300 neighborhood organizations in Memphis and Shelby County. Center for Neighborhoods will use these funds to renovate existing public facilities.

Boys Club/Porter Gym

Funding Sources:	CDBG Reprogrammed	\$100,000.00
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Since 1962, Boys & Girls Clubs of Greater Memphis has offered leadership and support to thousands of youth ages 7 - 17. Through one-to-one interaction with trained adult

staff, Club members learn to make positive decisions about their lives. They do better in school, stay away from drugs and gangs, and begin to set personal goals for themselves which ultimately helps them be responsible citizens of our community. Programs provided include leadership programs, education and career development, health and life skills, the arts, sports, fitness, and recreation. Funds will be used to renovate this existing public facility.

Boys Club/Dixie Homes

Funding Sources: CDBG Reprogrammed \$100,000.00

Since 1962, Boys & Girls Clubs of Greater Memphis has offered leadership and support to thousands of youth ages 7 - 17. Through one-to-one interaction with trained adult staff, Club members learn to make positive decisions about their lives. They do better in school, stay away from drugs and gangs, and begin to set personal goals for themselves which ultimately helps them be responsible citizens of our community. Programs provided include leadership programs, education and career development, health and life skills, the arts, sports, fitness, and recreation. Funds will be used to renovate this existing public facility.

Grant School Clearance & Demolition

Funding Sources: CDBG Reprogrammed \$100,000.00

CDBG funds will be used for clearance and demolition of the Grant School site to develop into a mixed-use housing and neighborhood commercial reuse. The funds will be provided under a conditional loan where the owner must put out a request for proposals to get a developer for the mixed-use development within one year or has to pay the money back. Additionally, the amount the owner can sell the property for will be capped so the profit does not exceed \$100,000.00.

Firestone

Funding Sources: CDBG Reprogrammed \$200,000.00

The local CDC will use this grant to renovate a building as public facility to serve the low and moderate residents of the New Chicago area.

Targeted Demolition

Funding Sources: CDBG Reprogrammed \$600,000.00

CDBG funds will be used for demolition and clearance of vacant, blighted, and abandoned structures within the targeted neighborhoods described in the section of this plan describing the geographic distribution of funds.

Frayser Development Implementation

Funding Sources: CDBG Reprogrammed \$250,000.00

These funds will be used to assist in the development of a civic facility in the Frayser community. This project was named as a priority in the recently developed strategic plan "Frayser Futures".

South Memphis Alliance Resource Center

Funding Sources: CDBG Reprogrammed \$150,000.00

These funds are proposed for a public facility that will be located in the South Memphis area. The South Memphis Alliance proposes to use this grant for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Coach and Four Demolition

Funding Sources: CDBG Reprogrammed \$500,000.00

CDBG funds will be used to acquire/demolish a property that is a blighting influence on the surrounding community. The property has been found to be in violation of the City's anti-neglect ordinance. The property will ultimately be cleared.

Lamar Terrace Acquisition

Funding Sources: CDBG Reprogrammed \$1,000,000.00

Funds will be used to acquire property to help implement the Lamar Terrace revitalization effort (see boundaries in map). The ultimate reuse of the property will be for affordable housing.

Summer Enrichment Sport

Funding Sources: CDBG \$150,000.00

This one-week summer athletic program is held at ten different high schools located in the inner city. The focus of the program is athletics, as well as mentoring, academic tutoring, and motivation. The locations are determined by the program director and may be changed annually, depending on particular activities offered at each school. It is estimated that 3,500 youth will participate in this program in FY2004.

Summer Enrichment II

Funding Sources: CDBG \$40,000.00

This program targets at-risk low income youth who attend Hamilton Middle School in South Memphis. Academic and social activities are included to discourage youth from joining gangs and to motivate them to be interested in school.

Achievement Academy Co-op

Funding Sources: CDBG \$15,000.00

This program introduces at-risk youth from Northside High School to careers in health care that do not require college education such as, nursing aides, and technicians. Fifteen (15) students will participate in this program and will receive training at the Regional Medical Center.

Radon Energy and Air Project (REAP)

Funding Sources: CDBG \$15,000.00

This program teaches students about different aspects of the elements natural gases and radon. They are taken on-site to locations such as the Memphis Vehicle Inspection stations to learn about the danger of radon and the emission of gases from auto vehicles. 25 students will benefit from this program in FY 2004.

Solid Waste Environmental Enrichment Project (SWEEP)

Funding Sources: CDBG \$12,000.00

This eight-week program targets low and moderates income youth that are interested in mathematics and natural sciences. The course of study relates to environmental issues as they pertain to solid waste management. Instruction is conducted at waste treatment plants, as well as traditional classroom and laboratory environments. Partners in the program include MLGW, North Treatment Plant, TVA, and the U.S. Corps of Engineers. Ten students will benefit from this program in FY 2004.

Property Assembly

Funding Sources: CDBG \$54,154.00

Funds will be used to pay for the cost of acquiring properties for development projects.

Property Maintenance

Funding Sources: CDBG \$73,000.00

These funds pay for the costs of maintenance such as cutting grass and weeds on City-owned vacant lots.

Food Bank

Funding Sources: CDBG \$75,000.00

The Food Bank collects and distributes surplus food donated by food establishments. Drivers pick up surplus food in a refrigerated truck and deliver to nonprofit organizations that serve on site meals.

Urban Gardening

Funding Sources: CDBG \$41,000.00

This initiative is provided through a sub-contract with the extension services of the Tennessee State University's Agricultural Program. In addition to utilizing vacant city-owned lots, it serves senior citizens in primarily low to moderate-income census tracts and provides gardening supplies and technical assistance. Participants are given assistance in planting a vegetable garden, producing nutritious, fresh food. In FY 2004, it is estimated that 300 persons will benefit from this program.

B.O.L.D. Brothers

Funding Sources: CDBG \$35,000.00

B.O.L.D. Brothers Army will use these funds for essential services to pay the salaries of a Director, Administrative Assistant, Project Coordinator, and two Assistant Director positions. B.O.L.D Brothers will provide leadership instructional training to 40 youths monthly and computer skills development to 30 youths annually.

Bridges, USA, Inc.

Funding Sources: CDBG \$39,500.00

The Art Bridges Program, administered by Bridges, Inc., provides instruction in the visual arts (sculpture) to 160 middle school and high school from local schools. Funds for this after-school and summer project will pay a portion of the operating expenses for the program.

Emmanuel Center

Funding Sources: CDBG \$50,000.00

The Emmanuel Center will use CDBG funds to build a new multipurpose community center. The agency will serve 150 children from the Foote Home and Cleaborn Home

public housing developments by offering an academic enrichment, tutoring, and mentoring programs.

Girls Inc.

Funding Sources: CDBG \$46,000.00

Girls, Inc. will use these funds to provide a comprehensive peer-led health promotion program for girls ages 6 to 14 in the UpTown area (Greenlaw/Manassas).

Kappa Alpha Psi

Funding Sources: CDBG \$35,000.00

Kappa Alpha Psi will use these funds to provide tutoring in Science, Mathematics, and English for 200 at risk children in the surrounding communities of A. B. Hill and Guthrie Elementary Schools. The program will offer basic computer operation training in the after school program. Also, the program will offer a Crime Prevention Program that will provide positive behavioral standards for the youth by the Memphis Police Department on Saturdays.

Memphis Literacy Council

Funding Sources: CDBG \$39,500.00

Memphis Literacy Council will use these funds to partially pay for Operating Expenses for two Program Coordinators. The Literacy Program will assist 50 low income families and individuals 18 or older who read below an eight grade level to improve their basic reading and writing skills, encourage families to read aloud to their preschoolers, and assist other groups who are interested in building literacy. The program will assess the reading capacity of adults, provide tutoring, computer training, and free reading material to increase the level of reading comprehension.

Memphis Urban League

Funding Sources: CDBG \$45,000.00

The Memphis Urban League will use CDBG funds for operating expenses for a Center Coordinator, Education Initiative Director, Chief Financial Officer, and Chief Executive Officer. The program will be an after school project that will serve low-income children and their parents in Orange Mound. The program will provide training classes, meetings and individual dialogues for parents to take increased responsibility to help their children achieve grade level mastery and to comply with Tennessee standards in literacy, Reading, English, Math, Science and computer training.

S.M.A.R.T.

Funding Sources: CDBG \$25,000.00

St. Mary's Alabama Redevelopment Team (SMART) will provide after school program for 200 children and youth 7 to 16 years old who are from low and moderate income families. The program will focus on academic performance, self-esteem, computer literacy, reading and math skills, mentoring, and improving conduct and attendance in school.

Black Arts Alliance

Funding Sources: CDBG Reprogrammed \$100,000.00

Funds will be used to help pay for the renovation of the mid-south's first and only non-profit, regional multi-arts cultural organization which celebrates and nurtures the heritage and talents of African Americans. Housed in the FireHouse Community Arts Center, MBAA's programs help folks of all ages, incomes and abilities and backgrounds, discover and refine their talents through, inter-generational, professionally instructed and culturally inspired arts education programs, services and products through the year-round.

Chicago Park Place School

Funding Sources: CDBG \$50,041.00

Space is leased in the Chicago Park School which was renovated with CDBG funds to provide affordable rental units for the elderly and public facility space that houses community meeting areas and a police mini-precinct.

ADMINISTRATION & PROGRAM DELIVERY

CDBG Administration

Funding Source: CDBG \$1,836,566.15

In FY 2004, CDBG Administration costs total \$1,836,566.15. CDBG program administration funds are used for overall program management, monitoring, and evaluation that are not in direct support of eligible activities. A more detailed definition of eligible program administration costs can be found in the Federal CDBG Regulations at 24 CFR 570.206.

Program administration includes the costs for staff to:

- Provide local officials and citizens information about HCD's programs
- Prepare budgets and schedules
- Develop monitoring systems to ensure compliance with federal and other regulations
- Develop agreements with other agencies, subrecipients, and contractors to carry out programs
- Monitor program activities for progress and compliance with requirements
- Prepare reports and other documents required by HUD
- Coordinate the resolution of audit and monitoring findings
- Evaluate program results against stated objectives
- Provide information and other resources to residents and citizen organizations who participate in the planning, implementation, or assessment of activities
- Provide Fair Housing Services designed to further the fair housing objectives of the Fair Housing Act
- Submit application for Federal Programs
- Conduct research

CDBG funds are not only used for the administration of activities proposed for fiscal year 2004 but also for the management of prior year entitlement funds. Also included in the total are planning activities, public information activities, and homeless coordination activities. Administrative funds also support the management of City funds, State funds, other Federal funds, and all other funds that HCD receives. The pursuit of other funds for the City is also sustained by these administration funds.

Planning and Management Development

Funding Source: CDBG \$40,000.00

In addition to Administration costs, Planning and Management Development funds will pay for the costs of preparing plans and to support research efforts related to plans development.

Neighborhood Plans

Funding Sources: CDBG \$50,000.00

A series of neighborhood plans will be prepared in conjunction with the neighborhood redevelopment strategies and objectives outlined.

HOME Administration

Funding Source: HOME \$500,277.00

HOME regulations permit the City to use ten percent of the annual HOME allocation for HCD staff who are responsible for HOME program administration. Only those HCD Departments who administer HOME funded-activities utilize the allocated HOME administrative funds.

HOME administration funds may be used for the following HOME administrative assignments:

- Developing systems and schedules for ensuring compliance with HOME program requirements
- Monitoring HOME-assisted housing and housing with designated monitoring funds
- Preparing reports, HOME agreements, and other documents
- Coordinating the resolution of monitoring and audit funding
- Administrative services under third-party agreements
- Administering tenant-based rental assistance programs
- Preparing a Consolidated Plan
- Providing public information
- Complying with other federal requirements

CHDO Administration

Funding Sources: HOME \$250,138.00

HOME funds amounting to 5% of the HOME grant is made available to HCD staff for the management and administration of CHDO's.

Emergency Shelter Grant (ESG) Administration

Funding Source: ESG \$19,450.00

Federal regulations permit the city to use up to five percent (5%) of its Emergency Shelter Grant entitlement to pay for the costs associated with administering this grant. Administrative costs include accounting, report preparation, program audits, staff salaries and costs related to project implementation by sub-contractors.

Housing Opportunities for Persons With AIDS (HOPWA) Administration

Funding Source: HOPWA \$37,260.00

In FY 2004, funds will be provided to sub-contractor, the United Way of the Mid-South, to pay indirect cost associated with general management, oversight, coordination, evaluation and reporting relative to the implementation of the eligible activities.

Program Delivery

Funding Source: CDBG \$3,527,582.85

HUD defines program delivery as “activity-specific administrative costs related to carrying out other eligible activities which are considered part of the costs of those activities”. Staff and overhead costs that are directly involved in carrying out functions in direct support of a CDBG eligible activity are eligible as part of such activities. Program delivery costs are not authorized as program administration according to HUD regulations.

The Division of Housing and Community Development incurs program delivery costs in carrying out functions which support programs such as housing rehabilitation, public services, public facilities and improvements, construction of housing, and economic development activities.

Specific examples of program delivery costs include necessary document review, document preparation, and management of activities through the Integrated Disbursement and Information System.

GEOGRAPHIC DISTRIBUTION OF FUNDS

This section describes the geographic areas of the City where programs are targeted. While many programs are city-wide, some geographic areas are targeted due to certain characteristics for special initiatives such as areas that have a lot of public/private partnerships and large investments. FY2004 represents the first year that the HARP program will be targeted. Single Family Rehabilitation and Replacement Housing programs will be targeted to the six neighborhoods identified below as "Level 1" neighborhoods. Additionally, all targeted areas have entitlement funds allocated to them in FY 2004 for a variety of projects, including community resource centers, public facility improvements, and others projects.

The principle behind the target neighborhood approach is the in order to begin to make an impact in neighborhood redevelopment (particularly inner-city neighborhoods that have experienced significant disinvestment, commercial and residential population declines, and overall blight) it is critical to target these neighborhoods for coordinated redevelopment. Coordination and targeted investment and redevelopment efforts are necessary to create critical mass and multiple development nodes in order to attract private sector investment.

Given the tremendous amount of blight in these neighborhoods as well as the level of disinvestment, it will require a sustained/integrated approach to redevelopment. It should be recognized that the redevelopment will require a number of years to make a real difference. It is also important to select neighborhoods that have Community Development Corporations (CDC's). The presence of a CDC is critical to help plan and execute the overall redevelopment as well as insure the redevelopment plan continues to be implemented and sustained.

The neighborhoods targeted for redevelopment were selected for a variety of reasons, including: Location, amount of investment already occurring or planned, presence of a viable CDC/CHDO, several assets already in the neighborhood, the ability to attract private investment, and the ability to sustain and leverage the investment of city/federal dollars

The targeted neighborhoods are grouped into several categories:

1. Level 1: Will be targeted for significant city/federal investment over the next two years (2004-2005) due to amount of existing public and private investment in the area
2. Level 2: Include substantial city/federal investment, but at an amount less than Level 1 also due to existing initiatives in these communities
3. Level 3: Will receive attention but less than Level 2-most of the activities in the area are led and will be sustained by other organizations/entities
4. Level 4: Will be targeted for significant city/federal investments in years 2006-2007 (will become Level 1)

Level 1	Level 2	Level 3	Level 4
1. Uptown	1. Whitehaven/ West Whitehaven	1. Hickory Hill	1. Hyde Park/ Hollywood
2. New Chicago	2. Orange Mound	2. Medical Center	2. South Memphis
3. Fowler Homes	3. Frayser	3. Madison Heights	3. Riverview- Kansas
4. College Park/Soulsville	4. Binghampton	4. University of Memphis	
5. St. Patrick's/ Linden/Pontotoc	5. Fairgrounds		
6. Lamar Terrace/ Elmwood			

The following critical service delivery/focus areas will be the focus in neighborhoods targeted for redevelopment:

- Housing/Code Enforcement
- Infrastructure
- Health and Human Services
- Education/Workforce Development
- Safety and Security
- Quality of Life
- Leadership Development (CDC's, CHDO's, Neighborhood Groups/Associations, etc.)
- Business/Economic Development (including Brownfields)
- Information Sharing

Ideally, the process will work as follows:

1. Engage internal staff and develop plans for service delivery of HCD/MHA services (Housing, Economic Development, Technical Assistance, Business Loans, etc.)
2. Engage City staff/other city departments and develop plans for service delivery (Code Enforcement, Streets, Sidewalks, Public Services, Lighting, etc.)
3. Engage the non-profit community
4. Engage the residents of the community
5. Engage the private sector
6. Determine need for plan (specific objectives, timeframes, costs, responsibilities, etc.)

A work plan will be developed for each area to insure there is a coordinated set of objectives established and strategies to complete the directives with clear and concise plans, responsibilities and timeframes for completion.

New Chicago

LEVEL 1 NEIGHBORHOOD



LEGEND

Projects Status Identified as:
Planned
Completed
IN PROGRESS

1. Firestone/First Tee Site Development/New Chicago Resource Center (**PLANNED**)
2. Renovation of Manassas High School (**PLANNED**)
3. United States Post Office
4. Demolition of Oates Manor Public Housing Site/Memphis Police Precinct Proposed (**PLANNED**)
5. Proposed Single-Family Housing Development (**PLANNED**)
6. Chicago Park Elderly Housing/New Chicago Community Development Corporation/New Chicago Co-Act Police Unit

Prepared By:
 City of Memphis-Memphis
 Housing Authority/Housing &
 Community Development

S.M.A.R.T. Neighborhood Revitalization

Uptown

LEVEL 1 NEIGHBORHOOD



LEGEND

Projects Status Identified as:

Planned

Completed

IN PROGRESS

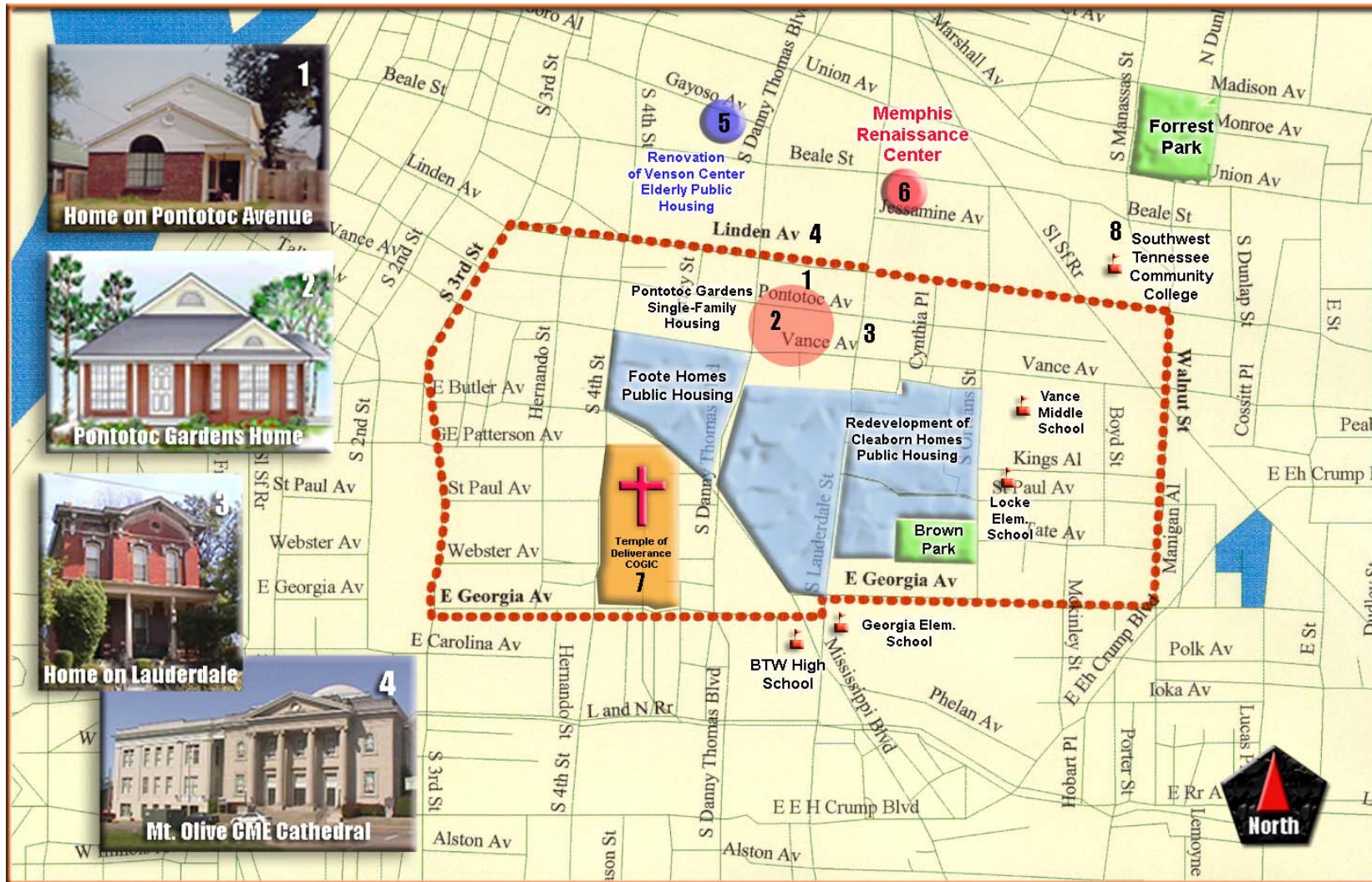
1. St. Jude's Children's Research Hospital
2. Proposed Hurt Village Public Housing Site Redevelopment (**PLANNED**)
3. MATA Bus Station/Bluff City Academy Day Care Center/Downtown Police Precinct
4. Lauderdale Courts/Barry Homes Renovations (**IN PROGRESS**)
5. Greenlaw Neighborhood Single-Family Housing
6. Keel Square Single-Family Housing Development (**COMPLETE**)
7. First Alliance Bank Construction (**IN PROGRESS**)
8. Proposed Greenlaw Apartments (**IN PROGRESS**)
9. Uptown Resource Center
10. Harbor Town Single-Family Homes, Condos and Apartments
11. Center for Neighborhoods
12. Grant School Site Redevelopment

Prepared By:
City of Memphis-Memphis Housing
Authority/Housing & Community Development

S.M.A.R.T. Neighborhood Revitalization

Linden/Pontotoc/St. Patrick's

LEVEL 1 NEIGHBORHOOD



LEGEND

Projects Status Identified as:

Planned
Completed
IN PROGRESS

1. Pontotoc-Lauderdale Single-Family Homes **(COMPLETED)**
2. Pontotoc Gardens Single-Family Housing **(IN PROGRESS)**
3. Home on Lauderdale Avenue
4. Mt. Olive CME Cathedral
5. Renovation of Venson Center **(PLANNED)**
6. City of Memphis Memphis Renaissance Center
7. Temple of Deliverance Church of God in Christ
8. Southwest Tennessee Community College

Prepared By:
City of Memphis-Memphis Housing
Authority/Housing & Community
Development

S.M.A.R.T. Neighborhood Revitalization

NEIGHBORHOOD

Projects Status Identified
as:

Planned	Completed	IN PROGRESS
<p>1. Project Management</p> <ul style="list-style-type: none"> 1.1. Project Charter 1.2. Project Management Plan 1.3. Work Breakdown Structure (WBS) 1.4. Risk Management Plan 1.5. Communication Management Plan 1.6. Stakeholder Management Plan 1.7. Quality Management Plan 1.8. Resource Management Plan 1.9. Procurement Management Plan 1.10. Change Management Plan 1.11. Project Closure Plan 	<p>2. Project Management</p> <ul style="list-style-type: none"> 2.1. Project Charter 2.2. Project Management Plan 2.3. Work Breakdown Structure (WBS) 2.4. Risk Management Plan 2.5. Communication Management Plan 2.6. Stakeholder Management Plan 2.7. Quality Management Plan 2.8. Resource Management Plan 2.9. Procurement Management Plan 2.10. Change Management Plan 2.11. Project Closure Plan 	<p>3. Project Management</p> <ul style="list-style-type: none"> 3.1. Project Charter 3.2. Project Management Plan 3.3. Work Breakdown Structure (WBS) 3.4. Risk Management Plan 3.5. Communication Management Plan 3.6. Stakeholder Management Plan 3.7. Quality Management Plan 3.8. Resource Management Plan 3.9. Procurement Management Plan 3.10. Change Management Plan 3.11. Project Closure Plan

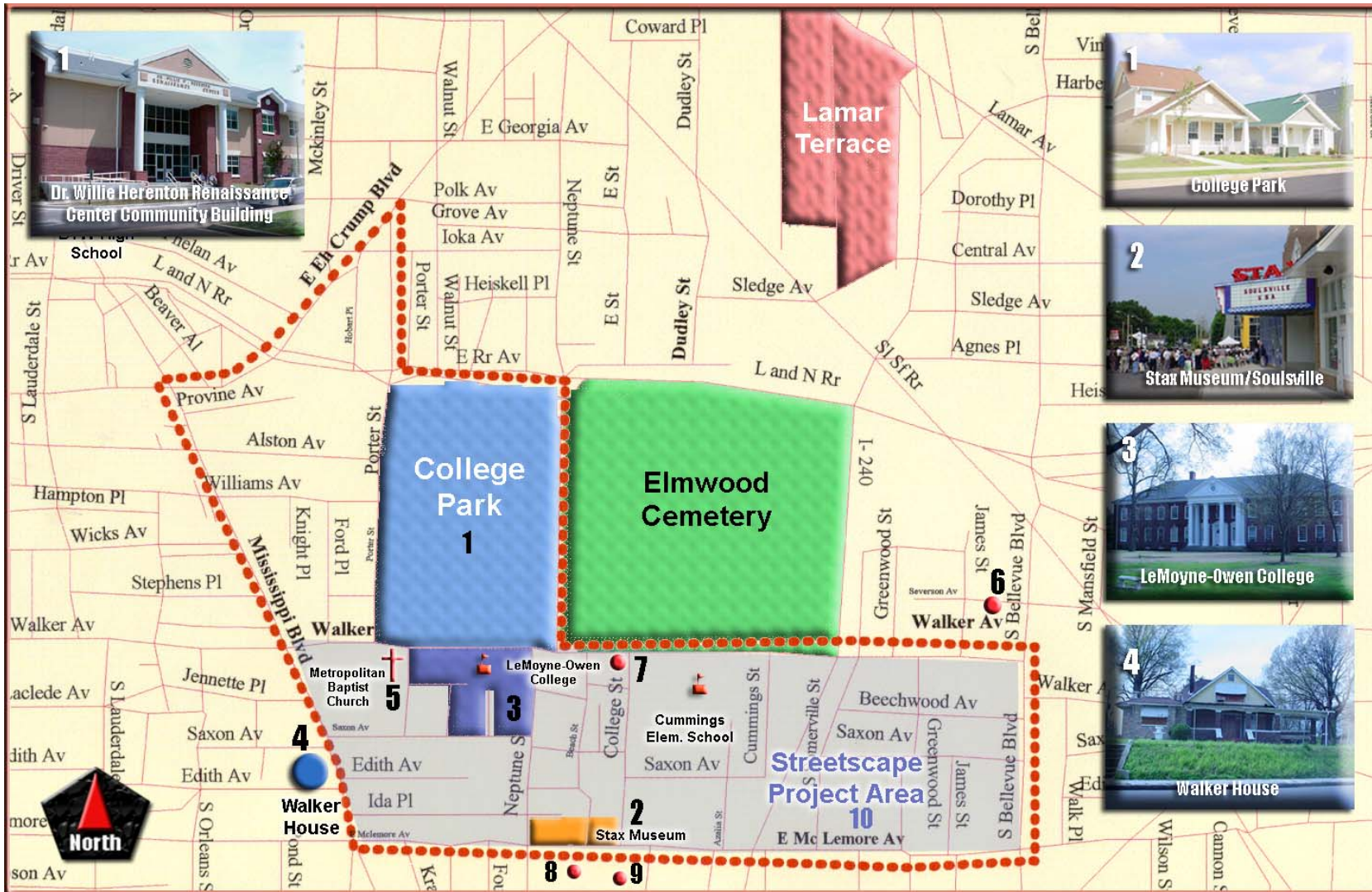
1. Redevelopment of Baptist Rehab Site **(PLANNED)**
2. Redevelopment of Lamar Terrace Public Housing Site **(PLANNED)**
3. Habitat for Humanity Site **(IN PROGRESS)**

Prepared By:
City of Memphis-Memphis
Housing Authority/Housing
& Community
Development



College Park/Soulsville

LEVEL 1 NEIGHBORHOOD



LEGEND

Projects Status Identified as:
Planned
Completed
IN PROGRESS

1. Renovation of LeMoyné Gardens Public Housing. Now College Park
 3 Rental Phases, Community Building & Senior Building
(COMPLETED)
 Homeownership Phase
(IN PROGRESS)
2. Construction of Stax Museum/Soulsville
(COMPLETED)
3. LeMoyné-Owen College
4. Walker House. Site of South Memphis Resource Center
(PLANNED)
5. Metropolitan Baptist Church
6. Black Arts Alliance
7. Diamond Ice Cream Demolition at 939 Walker
(PLANNED)
8. LOCCDC Commercial Property Demolition at 915 McLemore
(PLANNED)
9. Jesse Chapman Apts. Demolition at 1183 College Street
(PLANNED)
10. Streetscape Project
(PLANNED)

Prepared By:
 City of Memphis-Memphis Housing Authority/Housing & Community Development

S.M.A.R.T. Neighborhood Revitalization

Fowler Homes/COGIC

LEVEL 1 NEIGHBORHOOD



LEGEND

Projects Status Identified as:
Planned
Completed
IN PROGRESS

1. Redevelopment of Metro Shopping Center Plaza **(PLANNED)**
2. Mason Temple Church of God in Christ
3. Fowler Homes/COGIC Redevelopment Project **(PLANNED)**



Prepared By:
 City of Memphis-
 Memphis
 Housing

S.M.A.R.T. Neighborhood Revitalization

OTHER ACTIONS

In FY 2004, Memphis will undertake the following actions in response to the categories identified below.

A. Actions to address obstacles to meeting under-served needs

The Continuum of Care planning process will continue to be conducted by the City's sub-contract agreement with Partners for the Homeless (Partners) and the Greater Memphis Inter-Agency Coalition for the Homeless (GMICH). GMICH will continue to assist in the planning process by ensuring there is input from the broader community. Partners in collaboration with GMICH will again produce the *Needs Assessment for Homeless and Other Special Needs Populations*. HCD will expand on the efforts undertaken to in the needs assessment with particular attention given to assessing the needs and availability of housing and service resources for the mentally ill.

A Multi-family Panel has been established with the development of a strategy to respond to rental and multi-family housing needs as outlined in 2004 Annual Plan. The PILOT program for Multi-Family Development and the Multi-Family Housing Program by HCD are two programs initiated by HCD in 2003 and which will continue in 2004 to address the need for multi-family housing in Memphis.

A strategic planning process has been implemented to develop recommendations and action steps from task forces elected to cover broad policy areas focused on improving the quality of life for citizens of Memphis. The resulting document entitled *Citywide Strategic Planning: Building Better Neighborhoods Together!* presents recommendations that address the creation of institutions that will effect processes that will continuously evaluate community needs, identify resources, and develop and implement plans that seek to improve the use of resources and enhance the delivery of services.

B. Actions to foster and maintain affordable housing

In FY 04, HCD will continue to support new affordable housing construction by contracting with nonprofit and for-profit housing developers. Several new CDCs will receive the second year of capacity building assistance as they are trained to become CHDOs. Housing rehabilitation, including major and minor repairs, will be carried out directly through the HCD housing rehabilitation programs and by subrecipient contractors. New program changes will be implemented in FY2004 that will target and concentrate the impact of home improvements geographically; expand the number of beneficiaries; and convert the major rehabilitation programs for an all grants program to a program having a graduated loan feature. Partnerships with nonprofit CDC, CBDO, and CHDO as well as for-profit developers will continue to be an important part of the HCD affordable housing strategy.

C. Actions to remove barriers to affordable housing

The Three-Year Strategic Plan noted that the most obvious and basic barrier to securing affordable housing is the lack of adequate household income. In Memphis, approximately 23 percent of households have incomes below the poverty level, and 31.7 percent of households have incomes below 50 percent of the median family income. Most of these households simply do not have the ability to compete for market rate housing, and some form of public subsidy is necessary to provide affordable housing. Beyond the basic issue of low income, there is general consensus that many households in Memphis have credit problems and lack the basic skills to manage their finances.

In 2004, the HCD housing rehabilitation programs will continue to help low-moderate income homeowners to maintain properties that have fallen into disrepair and are in danger of becoming uninhabitable. The City and HCD also will continue to provide down-payment assistance to eligible homebuyers. The City also funds the Housing Resource Center, which provides pre-qualification services for potential homebuyers. HCD will assist with the funding of an expanded Homebuyer's Expo and lending. In addition to tenant-based assistance that HCD provides to special needs renters, the new Multi-Family Housing Program will include investment incentives for rehabilitation of multi-family properties in targeted areas. The investment incentives will be provided upon the basis of affordable rent structures for low and moderate renters. HCD and the Memphis Housing Authority will continue the development efforts with for-profit partners in existing and new HOPE VI redevelopment projects.

D. Actions to evaluate and reduce lead-based paint hazards

In FY 2004, HCD will continue to evaluate and reduce lead-based paint hazards through the implementation of its Lead Safe Communities Program (LSCP) and housing rehabilitation programs.

The HCD Lead Paint Hazard Reduction program is funded with a thirty-month HUD grant and represents a coordinated effort with the Memphis and Shelby County Health Department. Through this program, children who are suspected of lead paint poisoning are screened for elevated blood lead (EBL). In cases where children are found to have EBL, via agreement, the Health Department refers these cases to the Lead Safe Communities Program. SCDH will perform a lead inspection/risk assessment. If the residence is found to have lead-based paint hazards, SCDH will create a write-up to minimize all lead paint hazards. HCD undertakes lead-based paint hazard control measures, and when necessary, temporarily relocates the residents during the course of work. The Health Department then inspects the home to insure that it is safe for the residents to return.

The LSCP is a city/county program that is available to homeowners and rental property owners. In addition, the LSCP works closely with community development corporations throughout the City and provides up to \$10,000 for lead hazard reduction. Vacant houses that are purchased by participating CDC's may benefit from the grant provided these homes are resold to low-income homebuyers, preferably to families with children under age six.

In FY 2004 which represents the last three (3) months of program implementation, the Lead Safe Communities Program will address approximately fourteen (14) homes in targeted areas. Upon program completion, 144 units will have been cleared of lead. This program assists both owner-occupied and rental properties. Vacant houses that are purchased by participating CDCs may benefit from the grant provided these homes and resold to low-income homebuyers.

The HCD HARP program will continue to use both CDBG and HOME funds in its owner-occupied rehabilitation efforts. HCD will set aside five percent of HOME funds for CHDOs who will use the funds for housing rehabilitation. Lead hazard reduction funding for CHDOs is a non-competitive process.

E. Actions to reduce the number of poverty level families

HCD participated in a number of initiatives toward poverty reduction in Memphis. These include the Memphis Opportunity Fund and other programs that provide job and life skills training, assisted and transitional housing, and micro-enterprise development. Job creation through major economic development activities is another critical part of HCD's strategy. A majority of the funding used to support job/life skills training and micro-enterprise development is provided through direct City general revenue funding. As prescribed by HUD, assistance to low and moderate income families remains a focal point of HCD's mission.

The City of Memphis Division of Housing and Development has also built alliances with the local financial institutions (Federal Home Loan Bank of Cincinnati, First Tennessee Bank, National Bank of Commerce, and Union Planters Bank). The primary objective of the partnership was to create a loan fund, Memphis Business Opportunity Fund (MBOF). The MBOF is designed to promote access to capitals for small businesses, with nontraditional needs. The MBOF provides funding resources for individuals desiring to start a business or entrepreneurs wishing to grow and expand their existing business in the Memphis City limits. This program is targeted for small, minority, and women owned businesses.

F. Actions to develop institutional structure

In addition to the Division of Housing and Community Development (HCD) and the Memphis Housing Authority (MHA), the city of Memphis will use the following institutional structure to carryout its housing and community development plan. The Division of Housing and Community Development (HCD) has been functionally consolidated with MHA. This institutional structure includes non-profit as well as other public and private-sector partners and participants. Anticipated benefits include increased cost savings that will make more funding available for programs. The functional consolidation will also provide a better-coordinated approach to comprehensive community development.

The City of Memphis recognizes the benefit of developing a comprehensive approach to planning, budgeting and service/program delivery. In FY 2004, HCD/MHA continues the citywide strategic planning initiative. This effort has assembled a cross-section of the community and representatives from all categories of housing, education, industry, and community development as "shareholders" in defining the future growth and direction for the City of Memphis and its residents. HCD/MHA will continue its working relationships with HUD, Tennessee Housing Development Agency, Shelby County and other federal, state and local government organizations.

The functional consolidation reorganized the institutional structure of HCD into two administrative categories from which the Division administers housing and community development programs and projects. The two categories are 1) Housing, Finance and Economic Development and 2) Planning and Development. The Executive Director of MHA/Director of HCD is responsible for oversight of the entire Division and is assisted by four (4) Administrators.

G. Actions to enhance coordination between housing and social service agencies

Local Colleges and Universities

LeMoyne-Owen College, the University of Memphis, Rhodes College, and Southwest Tennessee Community College undertake outreach efforts in Memphis communities. In FY 2004, these institutions will expand their working relationships with MHA and HCD to bring expertise and other resources that exist within universities to redevelopment areas through the Community Outreach Partnership Centers (COPC) and HCD Neighborhood Resource Centers.

Students at Rhodes College, LeMoyne-Owen College, the University of Memphis, and Christian Brothers University receive internship placements through HCD. The internship program provides opportunities for students to work with area community based organizations in ways that complement their studies and career goals.

Memphis Shelby County Health Department

The HCD lead hazard reduction program is implemented in coordination with the Memphis and Shelby County Health Department (MSCHD). MSCHD conducts lead screenings, tests homes for lead hazards, and makes referrals to HCD for hazard reduction projects.

Memphis Fair Housing Alliance

The Memphis Fair Housing Alliance is a partnership between HCD and Shelby County Housing, along with Memphis Area Legal Services and the Fair Housing Center and other housing organizations.

City Divisions

The *Office of Neighborhoods and Public Services* works with HCD on Code Enforcement initiatives that support neighborhood improvement activities.

HCD/MHA and the *Office of Planning and Development (OPD)* will continue to work together in the preparation of the Citywide Strategic Plan and neighborhood-planning activities that focus on targeted neighborhoods. In addition to the need to rezone inner city areas, neighborhood planning efforts are designed to encourage affordable housing, spur redevelopment, and to expand and create economic opportunities for low and moderate income residents.

The *Memphis Police Division* will continue to use Community Policing as a key strategy to combat crime in our communities. Based on community need and demand, the police use bicycle patrols, create neighborhood substations, promote business and neighborhood watch groups, and use a police ambassador program to hear from communities.

The *Public Works Division* is responsible for infrastructure and improvements for the City of Memphis, including water mains and sidewalks. HCD will continue to work closely with Public Works on a number of levels related to affordable housing and neighborhood development.

Memphis Light Gas and Water (MLGW) provides a special program to provide incentives for developers of low-income housing. The collaborative effort between MLGW, Metropolitan Inter-Faith Association, Shelby County, HCD, the United Way of the Mid-South, the Community Foundation of greater Memphis, and DHS to assist participants in learning how to manage their finances and reduce energy consumption continues in FY 2004.

The *Memphis Area Transit Authority (MATA)* will work closely with HCD/MHA to find solutions for low-income people needing transportation to work including plans for a light rail that will link residents and jobs downtown, in the Medical Center, and at the airport.

Memphis 2005

Memphis 2005 is a comprehensive plan of long range economic development. It is the product of a collaborative effort among many community interest groups. The ten year economic development strategy is a comprehensive public/private sector plan aimed at improving the Memphis metro area through key programs such as business recruitment, expansion and retention; minority business development; workforce development; public policy and physical infrastructure; urban revitalization; and public safety.

A coordinating team for the implementation of the plan includes leaders from City and County government agencies and their divisions (including HCD), private sector businesses, and civic leaders. City divisions represented on the coordinating team include Housing and community Development, office of Planning and Development (a City/County agency), General Services, and Memphis Light Gas and Water. The Center city Commission, the Convention and Visitors Bureau, the Memphis Shelby Crime Commission, and The University of Memphis are also represented on this team.

Center City Commission

The Center City Commission is the primary organization to direct “the comprehensive redevelopment of Downtown as the economic, cultural, and governmental heart of the city and county” (City Code, chapter 7). City and County Mayors Willie W. Herenton and AC Wharton continue to support the Center City Commission in its role as the official partnership between local government and the private business community in revitalization of Memphis’s downtown and Medical District. Armed with planning expertise and the financial incentives to encourage development, the Center City Commission receives the support of HCD in its efforts. These efforts include: the development of the Main Street Mall and accompanying downtown neighborhood, the central business district streetscape improvements, the trolley/light rail extension through the Medical District, expansion of the riverwalk and Riverside Drive improvements, the mixed-income neighborhood development at the north end of downtown, and many other public and private downtown improvements.

State of Tennessee

Historic tax credits and low income housing tax credits will continue to leverage CDBG and HOME funds in the rehabilitation and development of affordable housing in Memphis including the Lauderdale Courts, Uptown and other downtown projects.

FY 2004 represents the last year that “Bicentennial Funds” from the State of Tennessee will be available for the strategic redevelopment of targeted blighted neighborhoods in South Memphis.

Other Federal Initiatives

Two HCD sponsored activities, the Memphis Business Development Center and MACRO (described in detail in the project description section), will continue to work closely with FDIC and other federal banking regulators, as well as with staff at the Federal Reserve.

U.S. Department of Housing and Urban Development (HUD)

The U.S. Department of Housing and Urban Development provides valuable support and technical assistance to HCD, especially through the Community Planning Department. The local HUD office also works closely with HCD in planning and implementing successful programs.

Weed and Seed

The Memphis Weed and Seed program is a collaborative effort on the part of City and County agencies, the U.S. Department of Justice, the University of Memphis, churches, and banks to improve the overall environment of neighborhoods. The community of Binghampton was designated a Weed and Seed site. This program focuses on domestic violence, general clean up, removal of abandoned vehicles, community policing, and crime prevention. Code enforcement, a Department within HCD, targets abandoned properties in this neighborhood.

H. Actions to foster public housing improvements and resident initiatives

The functional consolidation of HCD and MHA provides an opportunity to enhance the strengths of each agency and as a result, provide better services to the community. The functional consolidation enables HCD to provide information about its programs to residents and MHA staff.

In FY 2004, HCD will increase its efforts to promote those programs that public housing residents are eligible. The Down Payment Assistance program has special provisions to assist public housing residents seeking to become homeowners and seeks to complement the new Section 8 Homeownership Program that will begin in FY 2004. Residents of public housing qualify for up to \$10,000.00 in down payment assistance. Using City funds, HCD will provide funding for several social and human development program targeted to public housing residents: the RISE Foundation, GOAL card, and a leadership development program. HCD also funds a number of youth programs and economic development assistance for which MHA residents are eligible.

PROGRAM SPECIFIC REQUIREMENTS

CDBG Specific Requirements

The Division of Housing and Community Development estimates that in FY 2004 (PY 2003) it will receive an estimated \$2,746,932 in Program Income. A \$4,000, 000 CD Float funded project (as described in the next section) was made to the Peabody Place Phase II – Element E Project in FY 2002 via an amendment to FY 2001 CDBG entitlement. The loan agreement provides for the full repayment of the CD Float-fund as program income over the term of the agreement. In FY 2003 (PY 2002), HCD modified the repayment of the principal, as described below.

Float-funded Activity

Housing and Community Development (HCD) substantially amended its (PY 2000) FY 2001 Annual Plan in the FY 2002 Annual Plan. The amendment provided for a CDBG float-funded loan for an “economic development” activity. A \$4,000,000.00 CD-Float Loan was made to Peabody Place Centre L.P. as part of the Peabody Place Phase II – Element “E” Development and Loan Agreement. The float –funded activity was provided as an interim loan from the available (PY 2000) FY 2001 CDBG line-of-credit.

In accordance with Consolidated Plan guidelines, the following information was initially provided on the CDBG float-funded activity.

1. \$4,000,000.00 in float-funded program income will be received accordingly:
 - a. Twelve (12) months from closing the loan, the developer requested a six-month extension, with no principal reduction payment due prior to the beginning of the extension period.
 - b. Based upon needs documented in project’s financial projections, the developer expects to request a second six-month extension. The City’s approval of this extension is contingent upon a \$1,500,000.00 principal reduction payment from the developer on or before December 31, 2002.
 - c. Based upon needs documented in the project’s financial projections, the developer expects to request a third, six-month extension. The City’s approval of this extension is contingent upon payment of a \$750,000.00 principal reduction payment from the developer on or before July 1, 2003.
 - d. The balance of the principal for \$1,750,000.00 is due and payable on or before December 31, 2003.
 - e. During the extension periods the City reserves the right, not more than ninety (90) days and not less than thirty (30) days, prior to the end of any extension period, to notify the developer, in writing, of its decision to not grant any further extension of the loan term.
 - f. The interest rate on the outstanding balance of the CD Float Loan shall be three and one-half per cent (3 1/2%) per annum, such interest accruing without compounding during the term of the CD Float loan, including extension periods. Interest accrued on the CD Float Loan shall be due and payable in equal one-fifth (1/5) installments at the end of the third through the seventh year of an existing Section 108 Loan agreement between the City and the developer which contains specific terms for repayment of the Section 108 Loan to HUD.

- g. At the end of the CD Float Loan term, including any extension period, the entire outstanding principal balance of the CD Float loan shall be immediately due and payable.
- 2. On December 30, 2002 the City of Memphis, Division of Housing and Community Development entered into an Amendment Agreement with Peabody Place Centre GP (the successor of Peabody Place Centre, LP.).

This second amendment to the Development and Loan Agreement executed on July 29, 1999 amended the schedule of the payback of principal to read:

Payment of the entire principal amount of Four Million Dollars (\$4,000,000) is hereby deferred and will become due and payable on the last day of the thirtieth month after initial disbursement. Deferral of such payment until the maturity date is to be granted, contingent upon the receipt of Seventy-Five Thousand Dollars (\$75,000) in extension fees which are due and payable on the 30th day of the eighteenth month following initial disbursement. These extension fees represent Four percent (4%) of the originally scheduled principal reduction payments of One Million Five Hundred Thousand Dollars (\$1,500,000) for a term of one year and Seven Hundred Fifty Thousand Dollars (\$750,000) for a term of six months.

Payment of the entire \$4,000,000 CD-Float principal will be due on December 31, 2003.

- 2. The developer, Peabody Place Centre L.P., has tendered a Letter-of-Credit from a recognized, federally insured lending institution approved by the City. The developer has executed and tendered the Letter-of-Credit in the amount of \$4,000,000.00. The Letter-of Credit is redeemable after the end of the twelfth month following the closing, wherein said Letter-of-Credit shall be in full force and effect through the entire extension periods for the outstanding principal balance. This Letter of Credit expires on January 2, 2004.

HOME Program Specific Requirements

Tenant Based Rental Assistance

HCD uses HOME funds for Tenant-Based Rental Assistance (TBRA). TBRA is administered through Family Services of the Mid-South and in conjunction with referrals from the City Lead-Safe Communities Program.

Family Services of the Mid-South administers TBRA for lead based paint, domestic violence and severely mentally ill, and the families of persons with HIV/AIDS. The Health Department refers families to Family Services when elevated blood levels are detected in children. Family Services helps the family find an apartment to live in while their previous place of occupancy is being abated. TBRA is used for lead base paint situations because there are no service providers that fill this unmet need. Shelters, victims assistance program, and the YWCA Shelter refer victims of domestic violence to Family services. TBRA is also used for victims of domestic violence because there are no service providers that fill this unmet need. Family Services also administers TBRA for the severely mentally ill. This special need group has been identified through the Gaps Analysis as having a high priority need for housing.

Recapture Guidelines for HOME funded projects

The City of Memphis Division of Housing and Community Development, in compliance with 24 CFR 92.254(a)(4), uses the following recapture guidelines in the implementation of HOME program funded activities for homeowner assisted and homebuyer programs. Memphis' Single-family Rehabilitation Program provides direct assistance to the homeowner in the form of a deferred loan.

The period of affordability shall be based on the per-unit subsidy as provided under 24 CFR Part 92.254(4). (Per-unit subsidies may not exceed those established by HUD for the HOME program.)

Affordability Period – HOME per unit Homeownership Assistance

1. Based on a per-unit subsidy of less than \$15,000.00 per unit, the period of affordability shall be no less than five (5) years.
2. Based on a per-unit subsidy of \$15,000.00 to \$40,000.00 per unit, the period of affordability shall be no less than ten (10) years.
3. Based on a per-unit subsidy of more than \$40,000.00 per-unit, the period of affordability shall be no less than fifteen (15) years.

Recapture Guidelines

Exception: Some Memphis HOME Program homebuyer activities provide indirect subsidy funding (i.e. through developers - either non-profit CHDO's or private for-profit developers). These "developer subsidies" are used to reduce home development costs to affordable purchase levels by low/moderate income, first-time homebuyers. HOME regulations found at § 92.254 (a) (5) (ii) (5) state that if HOME assistance is used only as a development subsidy, it is not subject to recapture, and resale guidelines must be used.

Should an owner wish to sell a house that occurred from HOME Program assistance provided to a developer, if the proposed sale does not meet the affordability requirements for the specified time period, resale guidelines apply. Grantees will include in the sales agreement that deed restrictions, or covenants running with the land will be used to impose the resale requirements that ensure the following:

- Only a buyer whose family qualifies as a low-income family will be an eligible buyer; and
- The homebuyer shall occupy the property as the principal residence.

In the event of resale, the sales price must remain affordable to a reasonable range of low-income homebuyers. As a guide, the maximum percentage of the subsequent, new homebuyer's annual gross income (AGI) that can be used to pay the costs of principal, interest, taxes, and insurance should not exceed 35% of AGI. Notwithstanding, the seller is entitled to a fair return on investment that includes the homeowner's investment and any capital improvement that may be documented by approved permits evidencing completed improvements, executed improvement contracts, or filed Internal Revenue Service returns.

Lien, restrictive covenant or the deed restriction recorded with the property shall enforce these provisions.

For All Other Cases of Direct Assistance to the Homebuyer:

If a homebuyer desires to resell or transfer ownership of a HOME-assisted property during the affordability period, the recapture guidelines apply where direct HOME Program assistance has been received by the homebuyer,.

HOME regulations found at § 92.254 (a) (5) (ii) permit the City to develop and enforce a recapture requirement to ensure the affordability period and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. In events where a proposed sale does not comply with HOME regulations governing the period of affordability or income-eligibility, the following recapture provisions apply. Each original homebuyer, (who may become the homeseller), is entitled to receive a fair return on his/her investment which shall include the homeseller's out-of-pocket downpayment (closing) costs and any capital improvement that may be documented by approved permits evidencing completed improvements, executed improvement contracts, or filed Internal Revenue Service returns. The City will place these guidelines in its agreement with grantees and subrecipients who also shall include appropriate references to the recapture guidelines in its associated sales contract, deeds of trust, mortgages, and deed restrictions.

- 1) When the initial homebuyer desires to sell the HOME assisted unit to a non-eligible family, the following apply:
 - a) The seller will be entitled to pay-off of first/second mortgages; recover investment (or downpayment); and documented capital improvements expenses in that order;
 - b) Should proceeds remain, the City shall recapture the pro rata share that remains on a straight-line declining basis the HOME subsidy assistance that was provided to each housing unit. The amount repaid shall be reduced by a pro rata fraction (1/10th or 1/15th, etc.) according to the anniversary of the closing date for each calendar year that the original buyer occupies the property.

- 2) The sales price may not exceed the ability of a subsequent low-income family to purchase the home. In each specific case where this attempt is made, the following applies:
 - a) The seller will be entitled to pay-off of first/second mortgages;
 - b) At that point, the seller must determine if he will lower the sales price in order to comply with HOME regulations governing resale to eligible, low-income families;
 - c) Should proceeds remain, the seller shall be entitled to recover out-of-pocket downpayment costs; and documented capital improvements expenses in that order.
 - d) Should proceeds remain, the City shall recapture the pro rata share that remains on a straight-line declining basis the HOME subsidy assistance that was provided to each housing unit. The amount repaid shall be reduced by a pro rata fraction (1/10th or 1/15th, etc.) according to the anniversary of the closing date for each calendar year that the original buyer occupies the property.

- 3) When the homeowner chooses simply to not comply with the City's recapture option, has not made capital improvements, and seeks to resale the property at a price beyond the affordability of a low-income purchaser, the following will apply:
 - a) The seller will be entitled to pay-off of first/second mortgages;
 - b) The remaining proceeds may be recaptured by the City in an amount up to the full amount of the HOME subsidy assistance that was provided to the housing unit.

In the City's Replacement Housing and Single-family Rehabilitation Programs, a fifteen (15) year lien is used. If the property is abandoned within the 15-year period, the City has the right to foreclose and seize the property.

Upon the City's discovery that a violation of the terms and conditions of the restrictive covenant have been breached, the City of Memphis will pursue a legal remedy as expeditiously as practical.

Women and Minority Business Enterprises

It is city policy to require persons or organizations that enter into contractual agreement with the City to agree to efforts to employ minority and women's business enterprises. HCD, in its administration of HOME Program funded activities require that Grantees establish a minority participation goal that will apply to contractors, sub-contractors (and there employees) as may participate in program implementation and project development. Grantees will agree to make efforts to employ minority and women business enterprises in connection with activities funded under the HOME Program and the requirements of Executive Orders 11625, 12432, and 12138.

Affirmative Marketing

The City of Memphis in compliance with the Federal regulations published as the Final Rule on September 16, 1996, for the HOME Investment Partnerships Act at Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, (42 U.S.C. 12701 et seq.) maintains affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more HOME-assisted units. Persons or

organizations that enter into contractual agreement with the City to develop projects consisting of 5 or more HOME-assisted units will take steps to provide information and otherwise attract eligible persons in the housing market area to available housing without regard to race, color, national origin, sex, religion, familial status or disability. (The affirmative marketing procedures do not apply to families with Section 8 tenant-based rental housing assistance or families with tenant-based rental assistance provided with HOME funds.) The affirmative marketing requirements and procedures require at minimum but are not limited to the following:

1. Developers of eligible HOME-assisted projects must adopt methods for informing the public, owners, and potential tenants about Federal Fair Housing Laws and the City's Affirmative Marketing Policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners, written communication to fair housing and other groups, and use of the City of Memphis Fair Housing Brochure).
2. Developers of eligible HOME-assisted projects must use the Equal Housing Opportunity logotype or slogan in any advertisement purchased from commercial media.
3. Developers of eligible HOME-assisted projects must display the Fair Housing Poster in view of any potential tenant, owner and the public.
4. To the extent practicable, the developer of eligible HOME-assisted units must use community contacts for marketing such units and reach out to inform and solicit applications from persons who would not likely apply without special outreach (e.g., neighborhood associations, community development corporations, places of worship, employment centers, fair housing groups, or housing counseling agencies).
5. Developers of eligible HOME-assisted units will maintain records that describe the actions taken to affirmatively market units and in such form to assess the results of these actions.
6. As a part of the City of Memphis HOME Program requirements, the City will monitor the compliance with these affirmative marketing procedures and requirements. The City will seek expeditious correction of any infractions and make referrals to proper enforcement agencies as appropriate and applicable.

Developers of affordable Housing units authorized under this Act or any other Federal housing law applicable to the jurisdiction of the City of Memphis must submit minority outreach procedures acceptable to HUD and the City of Memphis. This effort is to ensure inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts entered into by the City of Memphis with such persons or entities, public or private, in order to facilitate the activities of the City of Memphis to provide affordable housing authorized under this Act or any other Federal housing law applicable to the City of Memphis (i.e. real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services,. (Section 85.36(e) of Part 24 of the Code of Federal Regulations describes actions to be taken by participating

jurisdictions to assure that minority business enterprises are used when possible in the procurement of property and services.)

Specific HOPWA Requirements

HOPWA funds are provided to nonprofit organizations that help meet the housing need of eligible persons living with AIDS and their families. However, changes are being planned for the HOPWA-funded housing program and for the administration of the funds. The City and United Way are consulting with Randall Russell through the Special Needs Housing Collaboration of the Southeast, a partner of AIDS Housing of Washington. Mr. Russell is providing technical assistance to the partners and subcontracting agencies in evaluating the current HOPWA-funded program and defining housing programs to be undertaken beginning in July 2003. The objective is to strengthen the design of current programs and establish priorities and plans for future housing activities.

The competitive grant application process, formerly subcontracted to United Way of the Mid-South, will be handled in-house by the City's Division of Housing and Community Development beginning with funds available in July 2003. United Way and the AIDS Consortium will continue to play an important role in helping to identify housing program priorities. The results of a new AIDS Survey that includes questions about housing will provide concrete information concerning perceived housing needs in the AIDS community. Continued participation of the members of the established Ryan White-HOPWA review committee in reviewing HOPWA applications will also provide continuity and knowledge of local social service and medical programs for persons with AIDS. Additionally, United Way will continue to administer the current 2-year HOPWA-funded contracts that run from April 1, 2002 through March 31, 2004.

The City anticipates allocating \$400,000 in July 2003 for a Tenant Based Rental Assistance Program. Local policy makers, service providers and other stakeholders have agreed that this is a much -needed program. The program will add to the continuum of services available in the City to persons with AIDS.

Specific ESG Requirements

The City of Memphis received fourteen (14) responses to its request-for-proposals for Emergency Shelter Grant (ESG) Funds. Applications were received on February 1, 2003. An Emergency Shelter Grant Panel comprised of five (5) professionals in the field of social services and grant-funding reviewed the applications and made recommendations to HCD staff. (Organizations represented on the panel were The Community Foundation, Memphis City Schools, Shelby County Community Services Agency, Partners for the Homeless, and the Greater Memphis Inter-Agency Coalition for the Homeless.) Applications were graded and rated on items such as completeness, previous City funding/performance, realistic budgets, and response to needs identified throughout the planning process (gaps analysis).

Monitoring

This section describes the monitoring standards and procedures that HCD will use to monitor CDBG, ESG, and HOME compliance activities and to ensure long-term compliance with program requirements.

HCD's compliance department oversees, project eligibility and approval, IDIS and project tracking, and long term monitoring. These three areas coordinate with the legal, accounting, and planning departments to ensure overall project collaboration and to ensure that projects are tracked from conception to long-term monitoring and tracking. Compliance is also a critical function of individual departments that administer programs. All HCD departments are in the process of finalizing policies and procedures to help ensure compliance.

HCD's strategic personnel plan includes the training of all essential staff in HUD regulations, including CDBG, HOME, and the competitive grants it receives. The plans include the hiring of consultants as needed to train staff in a manner that enables them to effectively administer programs.

HCD has a project tracking system that it designed to ensure that applicable program requirements are followed for every HUD funded project. Compliance staff have compiled a list of all HCD projects that includes budgets, number of units, contract status, IDIS numbers, and other information. The document is a summary of all projects/major resources in the division and the spending status. This is critical to ensure adherence to the budget, draw downs, the public service cap, and the planning and administration cap.

The long-term project monitoring department coordinates with all other departments to ensure the maximum effectiveness of the compliance department. This department effectively links and reconciles budgets, project tracking, IDIS, compliance, approval, monitoring, and records management.

The Law Division will continue to fund an assistant city attorney position assigned to HCD. In addition to other services, the attorney provides a legal review of all contracts to make sure that all legal requirements are met. Additionally, an internal auditor has been hired to provide and ensure compliance with HUD financial standards.

Monitoring procedures for subrecipient activities are included in HCD's subrecipient management strategy. The manual provides a detailed outline of the City's policies and procedures for informing and monitoring its nonprofit subrecipients. In addition, HCD continues to consult with accounting firms to evaluate the financial management systems of subrecipient agencies in complying with HUD financial standards.